

 **New Jersey
Motor Vehicle Commission**

P.O. Box 160
Trenton, New Jersey 08666-0160

STATE OF NEW JERSEY

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Raymond P. Martinez
Chairman and Chief Administrator

February 16, 2017

Honorable Chris Christie
Governor, State of New Jersey
State House
125 West State Street
Post Office Box 001
Trenton, NJ 08625-0001

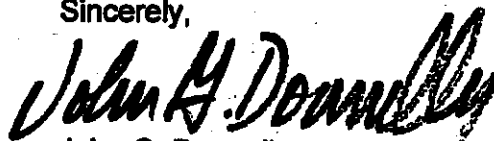


Dear Governor Christie:

In accordance with Section 17 of The Motor Vehicle Security and Customer Service Act of 2003, constituting Chapter 13 of the laws of 2003 of the State of New Jersey, as amended pursuant to P. L. 2007, Chapter 335 and pursuant to P. L. 2009, Chapter 298, I herein transmit the minutes of actions taken at the open session of the Annual Reorganization Meeting of the New Jersey Motor Vehicle Commission Board at Floor 8E, Motor Vehicle Commission Headquarters, Thursday, February 16, 2017.

Thank you.

Sincerely,



John G. Donnelly
Board Secretary

Enclosure

NEW JERSEY MOTOR VEHICLE COMMISSION

Minutes by Board Secretary John G. Donnelly of actions taken at the Open Session of the Annual Reorganization meeting of the New Jersey Motor Vehicle Commission (MVC) Board held at Floor 8E, Motor Vehicle Commission Headquarters, 225 East State Street, Trenton, New Jersey on Thursday, February 16, 2017.

Present:

Raymond P. Martinez, Chairman
Stephen S. Scaturro, Vice-Chairman
Scott Kisch, Public Board Member (by speakerphone)
Walter Orcutt, Public Board Member (by speakerphone)
John Case, Transportation Commissioner Designee
Gary Poedubicky, Attorney General Designee
James Fruscione, State Treasurer Designee (by speakerphone)

Laurette Asante, Public Board Member, previously had advised the Chairman that she would not be able to attend today's meeting.

Governor's Authorities Unit Assistant Counsel Labinot Berlajolli and Deputy Attorney General Philip Espinosa attended.

Chairman Raymond P. Martinez convened the Open Session at 2:05 p.m. in accordance with the Open Public Meetings Act, and led the Pledge of Allegiance.

Agenda Approval. Board Member Kisch moved to accept the proposed agenda, Director Poedubicky seconded the motion and it was unanimously adopted.

Chairman's Report

The Chairman then presented this report of key Commission activities since the December 13, 2016 Board Meeting:

Ambitious 2017

Good afternoon, everyone. Thank you for joining us once again. We have a lot on the agenda, so I will keep this brief. It's my pleasure to greet you formally for the first time in 2017. I hope you all enjoyed the holidays and I want to wish you a happy and healthy year.

Wear Red Day

And as we continue our efforts to remind residents of the dangers of distracted driving, our employees are taking steps to put women's heart health in the spotlight. Each February the MVC employees take part in the Go Red for Women campaign, and this year, we have raised more than \$3,000 for the American Heart Association. We hope that number will increase once all the figures from our field sites have been totaled. As you may recall, we were proud to recognize some of our partners from the American

Heart Association who help make our annual Wear Red Day efforts possible at our November board meeting. We are proud of our involvement with this important cause and I would like to thank everyone who helped make this year's event a success.

Skip the Trip

I would now like to take a moment to highlight the continuing success of our Skip the Trip campaign. As of February 10th, approximately 1.7 million residents have taken advantage of this convenient option to renew their driver's license through the mail. That means 1.7 fewer transactions are conducted in our agencies, and countless hours saved for our customers and staff.

Online Convenience Campaign

In addition to our efforts to promote the availability of Skip the Trip, we are continuing to remind our customers that the MVC offers 20-plus services right at their fingertips through radio, print and online advertising. The "Go Online, Stay out of Line" campaign directs folks to our website where we have conveniently listed all of the available online transactions on one simple page. This is all part of our effort to keep agency wait times down and to inform New Jersey motorists of the many customer service enhancements we have made.

CDL Testing

We have also been busy implementing new Commercial Driver's License standards mandated by the Federal Motor Carrier Safety Administration (FMCSA). Over the past several months, the pass rate for the new commercial driver skills test has increased 15%, from 41% in October 2016 to 56% in January 2017. We have also seen the average wait time to schedule a commercial driver skills test decline from 61 days to 43 days during the same time period. Implementing these new rules and regulations has been a complex task, but we are proud of the work our CDL Unit has done and continues to do to meet these new federal mandates.

JustDrive School Visits

Since we last met in December, we have continued in our work to bring the JustDrive.com campaign to high schools throughout New Jersey. Students in Egg Harbor, Middletown, North Brunswick, and Westwood took part in our interactive presentation focusing on the dangers of texting and using a cell phone while driving. These presentations feature guest speakers including law enforcement officers and parents who have lost their children to crashes involving distracted driving. In order to ensure that we are able to reach as many students statewide as possible, we are now taking steps to train additional MVC staff members to conduct these JustDrive presentations. We look forward to increasing this program's reach and hope to continue to build on its success moving forward.

New Staff Appointments

In addition to the aforementioned regulatory changes, I am pleased to announce a few personnel changes within the Commission. On January 23rd, Catherine Cuning was appointed to the position of Director of the Motor Vehicle Commission's Division of Agency Services. The areas of responsibility under her direction will include our motor vehicle agencies and driver testing centers. Cathy joined the MVC in 1998 and has

served as the Central Regional Manager within the Division of Agency Services since 2005. Prior to this, Cathy was the manager of our Jersey City and North Bergen agencies. She will be tasked with advancing our goal to be the model for excellence in motor vehicle services. Please join me in congratulating Cathy and I ask that you extend your support to her as she takes on this new position.

Retirement

Finally, I would like to take a moment to recognize the service of Jeff Pistol, whose last day with the Commission was January 31st. He was a vital member of our Legal and Legislative Affairs team for 29 years, and he will be missed by all of his colleagues here at the MVC. Although he is not present today, I want to publicly wish him the best of luck in his retirement.

The following Agenda Items were presented for approval:

Minutes: December 13, 2016. This item is to fulfill the requirements of The Motor Vehicle Security and Customer Service Act and of the Bylaws to approve the Minutes of each MVC Board Meeting, by approving the Minutes of the MVC Board Meeting of December 13, 2016.

Board Member Orcutt moved the resolution, Board Member Kisch seconded it and it was unanimously adopted.

1702-01: Vice-Chairman. This action is to meet the statutory requirement of The Motor Vehicle Security and Customer Service Act that the MVC Board appoint a Vice-Chairman, by designating Stephen S. Scaturro to serve as Vice-Chairman of the New Jersey Motor Vehicle Commission Board through January 1, 2018. Mr. Scaturro is Director of Consumer Affairs for Ocean County.

Board Member Orcutt moved the resolution with appreciation for Mr. Scaturro's lengthy and valuable years of service, Director Poedubicky seconded it and, after the Chairman's recognition of Mr. Scaturro's unwavering dedication to the Commission, it was unanimously adopted.

1702-02: Board Secretary. This item is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act for a MVC Board Secretary "who need not be a Board Member," by appointing a current MVC employee, John G. Donnelly, Esq.

Vice-Chairman Scaturro moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

Mr. Donnelly thanked the Board members for the honor of being reappointed Secretary of the Board.

1702-03: Charter Bus Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Adoption amending the

regulations concerning the International Registration Plan's Charter Bus rules. Board Secretary Jack Donnelly presented the Final Adoption.

Chief of Staff Case moved the resolution, Vice-Chairman Scaturro seconded it and it was unanimously adopted.

1702-04: Entity Identification Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this proposed new rule regarding entity identification numbers. Rebecca Donington of the MVC Office of Regulatory and Legislative Affairs presented the proposed new rule.

Director Fruscione moved the resolution, Chief of Staff Case seconded it and it was adopted.

1702-05: Disabled Veteran and Purple Heart Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this proposed new rule regarding Disabled Veterans and Purple Heart recipients. JoAnne Sutkin of the MVC Office of Regulatory and Legislative Affairs presented the proposed new rule.

Vice-Chairman Scaturro moved the resolution, Board Member Kisch seconded it and it was adopted.

1702-06: Driving Schools Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this proposed readoption with amendments of the Driving Schools regulation. Richard DelMonaco of the MVC Office of Regulatory and Legislative Affairs presented the proposed amendment.

Board Member Orcutt moved the resolution, Director Poedubicky seconded it and it was adopted.

1702-07: Licensing Service Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this proposed amendment of the Licensing Service regulation. JoAnne Sutkin of the MVC Office of Regulatory and Legislative Affairs presented the proposed amendment.

Chief of Staff Case moved the resolution, Director Fruscione seconded it and it was adopted.

1702-08: ZORF Bus Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this proposed readoption with amendments of the Zone of Rate Freedom regulation. Board Secretary Jack Donnelly presented the Final Adoption.

Chief of Staff Case moved the resolution, Vice-Chairman Scaturro seconded it and it was unanimously adopted.

1702-09: Boat Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Adoption of regulations that MVC promulgates jointly with the Boat Regulation Commission. Board Secretary Jack Donnelly presented the Final Adoption.

Vice-Chairman Scaturro moved the resolution, Board Member Orcutt seconded it and it was unanimously adopted.

Legislative Report. A briefing was provided by Legislative Liaison Laura Hahn, including:

Bills Signed by the Governor

A-2107/S-2350 (Mukherji D33; Holley D20; Gusciora D15; Pintor Marin D29; Wimberly D35; Ruiz D29; Madden D4) **Exempts homeless from fee for non-driver identification cards.**

Effective Date: September 1, 2017.

Chapter Law: P.L.2016, c.99.

MVC Impact: The Commission has to determine when to issue a non-driver ID at no cost and Agency Services staff should be made aware of this change. IT changes may be necessary, as well.

S-727/A-3955 (Cruz-Perez D5; Van Drew D1 / Barclay D5; Wimberly D35; Holley D20) **"New Jersey Open Data Initiative;" to require certain information be provided on Internet to public and State agencies.**

Effective Date: May 7, 2017.

Chapter Law: P.L.2017, c.2.

MVC Impact: The MVC will need to adopt policies that are consistent with the open data security and technical standards, policies, and practices established by the Chief Data Officer (who is to be designated by the State Treasurer) that govern access to open data and datasets available on the open data website of the agency. In addition, the MVC must create an inventory of all its open data and datasets, provide explanations about the open data, its format, how often the open data and datasets are updated, and how notice regarding such updates can be obtained, and assist users seeking to gain access to the open data and datasets of the agency through the deployment of online access tools, and the development and publication of application program interfaces. The Commission is to either provide datasets to the Chief Data Officer or create and maintain on the MVC's website links to the datasets hosted by the MVC. If the MVC chooses to host its open datasets on the MVC website, links must be provided to the Chief Data Officer for publication on the dedicated website maintained for that purpose by that officer. Unless a fee is required by law, open datasets are to be provided to the public by an agency without cost to the public.

S-2364/A-3946 (Oroho R24; Stack D33 / Burzichelli D3; Dancer R12; Mukherji D33)

Establishes pilot program appointing third party vendors to administer commercial driver license testing.

Effective Date: This act shall take effect immediately. Although, the private third party vendors should be appointed within 90 days following the effective date of this act. Also, an evaluation of the pilot program with recommendations that will facilitate the permanent use of third party vendors should be submitted to the Governor and the Legislature within nine months of the effective date of this act.

Chapter Law: P.L.2017, c.10.

MVC Impact: In implementing the pilot program, the bill requires the MVC to identify and compile a list of eligible third party vendors to provide testing. The Commission will need to establish guidelines necessary to oversee the administration of commercial motor vehicle driver testing by private third parties. A new audit group will need to be created to conduct covert and overt mandatory CDL audits to ensure compliance with both State and Federal requirements and deter fraud. The MVC will have to establish a fee schedule for third party testing in addition to the MVC commercial license permit fee of \$125. The Commission would also have to establish sanctioning and fines, and tables to regulate discipline for failure to comply. Other efforts would include certifying CDL road test courses and basic skills test courses, ensuring secure offsite storage of records and more. Within nine months of the bill's effective date, the bill requires the MVC to submit to the Governor an evaluation of the pilot program with recommendations that will facilitate the permanent use of third party vendors.

A-3695/S-2179 (Lagana D38; Singleton D7; Wisniewski D19 / Sarlo D36; Kyrillos R13)

Regulates transportation network companies.

Effective Date: May 1, 2017. The Commission had not supported this bill, which has the Commission regulate transportation network companies and is known and cited as the "Transportation Network Company Safety and Regulatory Act." A transportation network company (TNC) is defined as a corporation, partnership, sole proprietorship, or other entity operating in New Jersey that uses a digital network to connect a TNC rider (rider) to a TNC driver (driver) to provide a prearranged ride. The bill establishes safety and insurance requirements for TNCs that conduct business in New Jersey. Under the bill, a TNC is required to obtain a permit from the New Jersey Motor Vehicle Commission (MVC) upon submission of certain information and the payment of an initial and annual \$25,000 fee. The MVC may revoke a permit if the TNC does not comply with the bill's provisions.

Chapter Law: P.L.2017, c.26.

MVC Impact: The Commission will have to create an entirely new unit and hire additional staff to accommodate these responsibilities. Under the bill, MVC is charged with creating and managing a permitting process, communicating with the TNC agents, and possibly investigating consumer complaints.

Recent Action on Bills of Note

S-1585/A-3335 (Rice D28; Ruiz D29 / Sumter D35; Spencer D29; Pintor Marin D29)

Establishes program allowing certain applicants to perform community service in lieu of paying motor vehicle surcharges. This bill establishes a "Motor Vehicle

Surcharge Community Service Program," administered by the Commissioner of Labor and Workforce Development. The program allows a person who is unemployed but has enrolled in an education or job training program to perform community service in lieu of paying motor vehicle surcharges. The bill requires the commissioner to coordinate with the Chief Administrator of the Motor Vehicle Commission (MVC) to waive motor vehicle surcharges imposed on applicants who complete a community service project in participating counties and municipalities.

12/19/2016 - Passed Assembly (Passed Both Houses) (56-20-1).

2/6/2017 - Conditional Veto, Received in the Senate.

S-2175 (Stack D33) **Concerns transport of certain materials by motor vehicle.** This bill prohibits a person from loading or operating a vehicle loaded in a way that may cause the contents, or any part thereof, to be scattered in any street. The bill amends current law to include furniture, mattresses, or other debris other than farm products within the materials required to be securely fastened. The bill also amends current law to require that a load be securely fastened to the vehicle with rope, straps with ratchet fasteners, or any other similar type of safety harness in addition to being covered by a tarpaulin or other cover.

12/19/2016 - Passed by the Senate (36-0).

12/19/2016 - Received in the Assembly, Referred to Assembly Transportation and Independent Authorities Committee.

S-2564 (Weinberg D37; Bucco R25) **Provides that driver's license and identification cards expire every four years on licensee or cardholder's birthday.** Under this bill, a person's driver's license or identification card would expire during the fourth calendar year after the license or identification card was issued and on the person's day of birth. If the person's day of birth does not correspond with a calendar day in the fourth calendar year, the license or identification card is to expire on the last day of the month of the person's birth.

12/19/2016 - Passed by the Senate (37-0).

12/19/2016 - Received in the Assembly without Reference, 2nd Reading.

A-1943 (Coughlin D19; Wisniewski D19; Chiaravalloti D31) **Establishes electronic lien and titling system for New Jersey motor vehicles.** This bill requires the New Jersey Motor Vehicle Commission (MVC) to complete a study to determine whether it has the resources and capability to establish and implement, within 12 months of the bill's effective date, an electronic lien and titling system to process and administer, in a cost-effective manner, the notification, recording, and release of security interests and titling information by the lienholders of motor vehicles in lieu of the current paper-based system.

1/27/2016 - Introduced, Referred to Assembly Transportation and Independent Authorities Committee.

1/19/2017 - Reported and Referred to Assembly Appropriations Committee.

A-3749 (DeAngelo D14; Land D1; Chaparro D33) **Allows "100 percent Disabled Veterans" to receive parking privileges reserved for persons with disability.** This bill permits a military veteran who is designated by the United States Department of Veterans Affairs as a "100 Percent Disabled Veteran" to park a motor vehicle in

parking spaces reserved for persons with a disability. Under the bill, military veterans designated as 100 percent disabled are to receive from the Motor Vehicle Commission (MVC) a person with a disability card, hanging placard, and license plates that display a wheel chair insignia.

1/23/2017 - Passed by the Assembly (69-0-0).

1/30/2017 - Received in the Senate, Referred to Senate Military and Veterans' Affairs Committee.

A-4185 (Mukherji D33; Bucco R25; Giblin D34) **Concerns certain business requirements for motor vehicle dealers.** This bill amends R.S.39:10-19 to clarify the requirements for an established place of business of a licensed used motor vehicle dealer and allows a licensed dealer of new and used motor vehicles or a licensed dealer of used motor vehicles (dealer) to temporarily remove from the dealer's premises the forms, papers, and records required by the New Jersey Motor Vehicle Commission (MVC), if the documents were removed for a business purpose, including but not limited to, acquiring a motor vehicle, certificate of origin, certificate of ownership, or title papers by the dealer.

9/19/2016 - Introduced, Referred to Assembly Regulated Professions Committee.

1/12/2017 - Reported out of Assembly Committee, 2nd Reading.

A-4401/S-2854 (Greenwald D6; Land D1; Andrzejczak D1 / Beach D6; Madden D4) **Authorizes certain benefits for certain family members of military personnel who died while on active duty.** This bill authorizes the Chief Administrator of the Motor Vehicle Commission to approve and issue a driver's license and an identification card with a Gold Star Family designation for certain family members of servicemen and servicewomen who lost their lives while on active duty for the United States. A Gold Star Family member is defined as a spouse, domestic partner, partner in a civil union, parent, brother, sister, child, legal guardian, or other legal custodian, whether of the whole or half blood or by adoption.

1/19/2017 - Reported out of Asm. Comm. with Amendments, and Referred to Assembly Appropriations Committee.

1/30/2017 - Reported out of Assembly Comm. with Amendments, 2nd Reading.

Chairman Martinez thanked Laura for the presentation.

Public Comments:

No members of the public sought to make a public comment.

Chairman Martinez then noted that there was no further business before the Board, and thanked the Board Members and staff for their continuing service.

Adjournment:

Since there were no further comments or business, a motion to adjourn was made by Board Member Kisch and seconded by Director Fruscione and unanimously adopted at 3:15 p.m.

**NEW JERSEY MOTOR VEHICLE COMMISSION
ANNUAL REORGANIZATION MEETING OF THE BOARD MEMBERS**

**Commission Headquarters, 8th Floor East Wing
225 East State Street, Trenton, New Jersey
2:00 p.m., Thursday, February 16, 2017**

FINAL AGENDA

PAGE 1 OF 2

	<u>PAGE</u>
• 1 – CALL TO ORDER	7842
• 2 – OPEN PUBLIC MEETINGS ACT STATEMENT	7842
• 3 – PLEDGE OF ALLEGIANCE	7842
• 4 – APPROVAL OF AGENDA	7842
• 5 – CHAIRMAN'S REPORT	7842
• 6 – APPROVAL OF MINUTES OF DECEMBER 13, 2016	7852
• 7 – APPROVAL OF ITEM 1702-01 – ELECTION OF VICE-CHAIRMAN	7859
• 8 – APPROVAL OF ITEM 1702-02 – ELECTION OF SECRETARY	7861
• 9 – APPROVAL OF ITEM 1702-03 – FINAL ADOPTION – N.J.A.C. 13:18 IRP CHARTER BUS REGULATION	7863
• 10 – APPROVAL OF ITEM 1702-04 – PROPOSED NEW RULE – N.J.A.C. 13:18 ENTITY IDENTIFICATION NUMBERS REGULATION	7866
• 11 – APPROVAL OF ITEM 1702-05 – PROPOSED NEW RULE – N.J.A.C. 13:20 DISABLED VETERAN AND PURPLE HEART RECIPIENT PLACARDS REGULATION	7880
• 12 – APPROVAL OF ITEM 1702-06 – PROPOSED READOPTION WITH AMENDMENTS – N.J.A.C. 13:23 DRIVING SCHOOLS REGULATION	7895
• 13 – APPROVAL OF ITEM 1702-07 – PROPOSED AMENDMENT – N.J.A.C. 13:21 LICENSING SERVICE REGULATION	7903

**NEW JERSEY MOTOR VEHICLE COMMISSION
ANNUAL REORGANIZATION MEETING OF THE BOARD MEMBERS**

**Commission Headquarters, 8th Floor East Wing
225 East State Street, Trenton, New Jersey
2:00 p.m., Thursday, February 16, 2017**

PROPOSED AGENDA

PAGE 2 OF 2

	<u>PAGE</u>
• 14 – APPROVAL OF ITEM 1702-08– PROPOSED READOPTION WITH AMENDMENTS – N.J.A.C. 16:53D Z.O.R.F. REGULATION	7922
• 15 – APPROVAL OF ITEM 1702-09– FINAL ADOPTION – N.J.A.C. 13:82 BOAT REGULATION	7935
• 16 – LEGISLATIVE REPORT	7942
• 17 – PUBLIC COMMENTS	7849
• 18 – ADJOURNMENT	7849

Approval: Minutes of December 13, 2016

BENEFITS

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, provides at section 17 that the actions taken at MVC Board meetings do not become effective until approved by the Governor. Thereafter, the Minutes are presented to the Board Members for approval consistent with the MVC Board Bylaws.

PURPOSE

The Act at section 17 states that "A true copy of the minutes of every meeting of the Board shall be delivered by and under the certification of the Secretary of the Board, without delay, to the Governor. No action taken at the meeting shall have force or effect until ten days, Saturday, Sundays, and public holidays excepted, after the minutes are delivered, unless during the ten day period the Governor approves the Minutes, in which case the action shall become effective upon approval. If, in that ten day period, the Governor returns copies of the minutes with a veto of any action taken by the Board or any Member, the action shall be null and void and of no effect."

The December 13, 2016 Minutes were delivered on December 13, 2016 to the Governor, and became effective upon expiration of the ten day period on December 28, 2016.

ACTION

Approval of this item by the Board Members indicates acceptance of the December 13, 2016 Minutes.

FISCAL IMPACTS

None.

RESOLUTION

WHEREAS, consistent with the Bylaws the Minutes of actions taken at meetings of the New Jersey Motor Vehicle Commission Board are to be approved by the Board Members; and

WHEREAS, pursuant to section 17 of The Motor Vehicle Security and Customer Service Act , P.L. 2003, c.13, as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, a true copy of the Minutes of the actions taken at the New Jersey Motor Vehicle Commission Board meeting of December 13, 2016 were delivered without delay to the Governor on December 13, 2016; and

WHEREAS, those Minutes do not become effective until expiration of the ten day review period or otherwise approved by the Governor; and

WHEREAS, Minutes of the December 13, 2016 Board Meeting are effective as of December 28, 2016; and

NOW, THEREFORE, BE IT RESOLVED that the Minutes of actions taken at the December 13, 2016 New Jersey Motor Vehicle Commission Board meeting are hereby approved.

NEW JERSEY MOTOR VEHICLE COMMISSION

Minutes by Board Secretary John G. Donnelly of actions taken at the Open Session of the Regular Meeting of the New Jersey Motor Vehicle Commission (MVC) Board held at Floor 8E, Motor Vehicle Commission Headquarters, 225 East State Street, Trenton, New Jersey on Tuesday, December 13, 2016.

Present:

Raymond P. Martinez, Chairman
Stephen S. Scaturro, Vice-Chairman (by speakerphone)
Laurette Asante (by speakerphone)
Scott Kisch, Public Board Member (by speakerphone)
Walter Orcutt (by speakerphone)
John Case, Transportation Commissioner Designee
James Fruscione, State Treasurer Designee (by speakerphone)
Gary Poedubicky, Attorney General Designee

Governor's Authorities Unit Assistant Counsel Lisa LeBoeuf participated by speakerphone, and Deputy Attorney General Jennifer Jaremback was present.

Chairman Martinez convened the Open Session at 2:00 p.m. in accordance with the Open Public Meetings Act.

Agenda Approval. Board Member Kisch moved to accept the proposed agenda, Director Poedubicky seconded the motion and it was unanimously adopted.

Chairman's Report. Chairman Martinez began by welcoming everyone to the summer season, and updated all attendees on these actions since the November 2 Board Meeting:

Assembly Transportation Committee Hearing

Yesterday I had the opportunity to brief the Assembly Transportation Committee about some of our ongoing and upcoming customer service initiatives such as our Transformation Project, our Skip the Trip Program, our on-line services, the recent renovations and expansions to our facilities, the change in our agency employees' schedule, and the anticipated Mobile Units and PIVS/Queue system. I am pleased to advise that the report was well received by the members of the Committee.

League of Municipalities

Our staff has certainly been busy for the past few months. In November, MVC volunteers were hard at work again at the annual League of Municipalities conference in Atlantic City. A number of our dedicated staff were on hand at the MVC booth to answer motor vehicle-related questions as well as promote the JustDrive.com campaign against distracted driving. Visitors to the booth were invited to spin the prize wheel and take home JustDrive.com gear as well as trying out our virtual reality texting and driving simulator. Thank you to all the volunteers who made this event a success! We have big plans for next year's conference.

JustDrive School Visits

In addition to our presence at the League, our communications team is continuing to bring the JustDrive.com campaign to high schools throughout New Jersey. After a successful trial run at Delran High School last spring, the MVC brought their interactive presentation to more than 800 students at Egg Harbor Township High School. In addition to information about the laws and penalties for distracted driving, the presentation featured a talk by Egg Harbor Township Police and the End Distracted Driving Student Awareness Initiative. The MVC will be returning to Egg Harbor to bring this message to an additional 1,000 students in February 2017. We are excited to bring this presentation to North Brunswick Township High School later this month, and Westwood Regional High School in January. Additionally, we are actively working to promote the program to other districts and generate more interest statewide.

New Year Ad Campaign

With 2017 swiftly approaching, many of you are probably beginning to think about your new year's resolutions. Whether it's eating more vegetables, being more frugal, or spending more time with your family, everyone knows that the promises we make to ourselves every January are important, but tough to keep at times. Here at the MVC, we are up to the challenge and are resolving to improve our customer service for all motorists in New Jersey. To that end, we are planning an ad campaign to highlight our resolution and remind motorists of the many ways that the MVC is working to improve and make things easier for residents. The campaign will highlight the continued success of our "Skip the Trip" program, which has helped more than 1.6 million drivers renew their driver's license through the mail since its inception, and will also promote the many online services available as a convenient alternative to visiting an agency. The campaign will feature print, radio and online ads focusing on the more densely populated areas of New Jersey in order to maximize its impact.

Celebrating our Accomplishments

As we consider our resolution for 2017, it's also important to look back at some of the things we've accomplished in 2016. The MVC has received a good deal of scrutiny this year, but we are ready for the spotlight and like to think of it as an opportunity to highlight the positive things we've been able to achieve. I'd like to take a moment to share some impressive statistics that paint a picture of this year's accomplishments. In 2016, the MVC issued more than two million driver's licenses. That rounds out to an average of almost 36,000 per day. We also issued more than 840,000 driver suspension orders. More than two million emissions inspections were administered at our Centralized Inspection Facilities, and more than 300,000 were performed at Private Inspection Facilities statewide. The MVC also issued nearly three million vehicle titles. Our dedicated customer service staff answered nearly 2.7 million inquires made through our customer service hotline, and our mailroom staff handled just over 13 million documents. We also continued to build on the success of our online services campaign. In 2016, the MVC website received 11.5 million visits, with more than 1.4 million residents renewing their vehicle registrations without ever having to set foot in an agency. While these numbers may sound impressive or even overwhelming, these are the kinds of things that the MVC is expected to do on a daily basis. But in between handling millions of customer transactions per year, our talented staff has also found the time to complete a number of

important projects that will help us to provide even better customer service and convenience moving forward. We've renovated agencies, improved our customer-facing computer systems, waived most online transaction fees, and streamlined agency processes for driver's license renewals – I could go on and on. None of this would be possible without the commitment of the people in this building, and the employees throughout our 39 agencies. So I would like to take this opportunity to thank everyone for helping to make 2016 a success. I hope everyone enjoys a happy and restful holiday season with their families – you certainly have earned it.

The following Agenda Items were presented for approval:

Minutes: October 13, 2016. This item is to fulfill the requirements of The Motor Vehicle Security and Customer Service Act and of the Bylaws to approve the minutes of each MVC Board meeting, by approving the Minutes of the MVC Regular Board Meeting of October 13, 2016.

Board Member Asante moved the resolution, Director Fruscione seconded it and it was unanimously adopted.

Minutes: November 2, 2016. This item is to fulfill the requirements of The Motor Vehicle Security and Customer Service Act and of the Bylaws to approve the minutes of each MVC Board meeting, by approving the Minutes of the MVC Regular Board Meeting of November 2, 2016.

Board Member Oructt moved the resolution, Chief of Staff Case seconded it and it was unanimously adopted.

1612-01: 2017 MVC Board Meeting Dates. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to announce MVC Board Meeting Dates annually. Jack Donnelly, Board Secretary, presented the proposed meeting dates.

Board Member Asante moved the resolution, Board Member Kisch seconded it and it was unanimously adopted.

1612-02: Licensing Service Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this proposed amendment of the Licensing Service and Document Scanning regulation. Jeff Pistol of the MVC Office of Regulatory and Legislative Affairs presented the proposed amendment.

Vice-Chairman Scaturro moved the resolution, Director Fruscione seconded it and it was adopted.

1612-03: Petition Regulation. This action is to meet the statutory provision of the Motor Vehicle Security and Customer Service Act to promulgate regulations for the proper functioning of the Commission, including this Final Adoption of a new rule for a Petition regulation. MVC Board Secretary Jack Donnelly presented the Final Adoption.

Director Poedubicky moved the resolution, Vice-Chairman Scaturro seconded it and it was unanimously adopted.

Legislative Report. A briefing was provided by Legislative Liaison Laura Hahn, including:

Bills on the Governor's Desk

A-3549/S-2098 (Johnson D37; Zwicker D17; Wisniewski D19; Benson D14; McKeon D27) to exempt hydrogen fuel cell-powered vehicles from certain labeling requirements. This bill exempts hydrogen-powered fuel cell motor vehicles from certain labeling requirements. The MVC sought to amend the bill to be removed from it. As of November 21, 2016, the bill has passed both Houses.

A-2107/S-2350 (Mukherji D33; Holley D20; Gusciora D15; Pintor Marin D29; Wimberly D35; Ruiz D29; Madden D4; Singleton D7; Quijano D20; McKeon D27; Maher-Muoio D15; Chiaravalloti D31; McKnight D31; Eustace D38; Stack D33) to allow homeless people to obtain, duplicate, or renew a non-driver identification card without paying fees to the MVC. The Commission supports amendments that make the waiver of fees permissive, rather than mandatory, subject to rules and regulations promulgated by the Chief Administrator. As of November 21, 2016, the bill has passed both Houses.

Recent Action on Bills of Note

A-2087 (Mukherji D33; Schaer D36; Downey D11; Quijano D20; Coughlin D19; O'Scanlon R13; Chaparro D33; Conaway D7; Houghtaling D11) to grant drivers additional time to resolve parking violations prior to license or registration suspension. The Commission does not support recent amendments to require the MVC to provide written notice, advising the driver that the suspension is to take effect 30 days after the date on which the Commission sent the written notice. The bill passed the Assembly on November 21, 2016 with a vote of 72-0.

S-165 (Bateman R16; Scutari D22; Turner D15) to clarify when penalty points are to be assessed for convictions of driving in an unsafe manner. The Commission will seek a technical amendment to reflect the name change of the surcharge program. The bill passed the Senate on November 14, 2016 with a vote of 36-0.

S-2364/A-3946 (Sacco D32; Pennacchio R26; Johnson D37; Zwicker D16; Wisniewski D19; Benson D14; McKeon D27) to establish a pilot program appointing third party vendors to administer commercial driver license testing. The Commission does not support the bill due to IT and operational impediments. The bill passed the Senate on November 14, 2016 with a vote of 35-0.

Chairman Martinez thanked Laura for the presentation.

Public Comments:

No members of the public sought to make a public comment.

Chairman Martinez thanked everyone for their participation today.

Adjournment:

Since there were no further comments or business, a motion to adjourn was made by Chief of Staff Case and seconded by Board Member Orcutt and unanimously adopted at 2:45 p.m.

ITEM 1702-01: DESIGNATION OF VICE-CHAIRMAN

BENEFITS

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 ("The Act"), is the enabling statute that created MVC, as amended by P.L. 2007, c. 335 and by P. L. 2009, Chapter 298, and, pursuant to section 14 the Vice-Chair shall be elected annually by a majority of the full membership of the Board from among its Members. The Vice-Chair holds office until January 1st of the next year, as stated in Article II, Section 5 of the MVC Board Bylaws.

PURPOSE

The effect of this item is to fulfill the statutory and Bylaw requirements of the annual designation of the Vice-Chair of MVC.

ACTION

Approval of this item will designate Stephen S. Scaturro to serve as Vice-Chairman of the New Jersey Motor Vehicle Commission Board until January 1, 2018.

FISCAL IMPACTS

None.

RESOLUTION

WHEREAS, section 14 of the Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 ("The Act"), as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, Chapter 298, requires the annual designation by the New Jersey Motor Vehicle Commission Board of a Vice-Chair; and

WHEREAS, Article II, Section 5 of the MVC Board Bylaws also provides that the Vice-Chair be designated annually;

NOW, THEREFORE, BE IT RESOLVED that Stephen S. Scaturro is designated as Vice-Chairman of the New Jersey Motor Vehicle Commission Board to serve a term through January 1, 2018.

ITEM 1702-02: DESIGNATION OF SECRETARY**BENEFITS**

The New Jersey Motor Vehicle Commission (MVC) Board is governed by its statutes, regulations and Bylaws. The Motor Vehicle Security and Customer Service Act, P.L. 2003, c. 13 ("The Act"), as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, Chapter 298, at Section 12b provides that the Board may elect a Secretary "who need not be" a Board Member.

The Secretary shall keep the minutes of each Board meeting, ensure the minutes reflect those Board Members who are in attendance, provide a true copy of the minutes without delay to the Governor's Office, be the custodian of the records and seal of the Board, permit the inspection, examination, and copying of Board records in accordance with N.J.S.A. 47:1A-1 et seq., and perform such other duties as may be assigned to him by the Chairman and Members of the Board, as stated in Article II, Section 6 of the MVC Bylaws.

PURPOSE

The effect of this item is to fulfill the statutory and Bylaw authorization for the designation of the Secretary.

ACTION

Approval of this item will designate John G. Donnelly, a full time employee of the MVC, to serve as Secretary of the New Jersey Motor Vehicle Commission Board until the next ensuing Annual Reorganization Meeting of the MVC.

FISCAL IMPACTS

None.

RESOLUTION

WHEREAS, section 12b of the Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 ("The Act"), as the enabling statute that created MVC, and as amended by P.L. 2007, c. 335 and by P. L. 2009, Chapter 298, authorizes the annual designation by the New Jersey Motor Vehicle Commission Board of a Secretary "who need not be" a Board Member; and

WHEREAS, Article II, Section 6 of the MVC Bylaws provides for the election of a Secretary;

NOW, THEREFORE, BE IT RESOLVED that John G. Donnelly, a full time employee of the MVC, is designated as Secretary of the New Jersey Motor Vehicle Commission Board to serve a term until the Annual Reorganization Meeting of the MVC Board next ensuing.

ITEM 1702-03: INTERNATIONAL REGISTRATION PLAN REGULATIONS**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c. 13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Final Adoption of amendments to remove the charter bus exemption in International Registration Plan (IRP) regulations.

PURPOSE

This is a Final Adoption. The effect of this item is to amend N.J.A.C. 13:18-2.1 to delete the definition of "Chartered party" and deletes the phrase "buses used in transportation of chartered parties" in the two places it appears, and to amend N.J.A.C. 13:18-2.2 to delete charter buses from the list of vehicles exempt from IRP. This action is consistent with a September 2014 vote of the members of IRP, of which MVC is a member pursuant to N.J.S.A. 39:3-6.12. MVC is required by N.J.S.A. 39:3-6.12(b) to "adopt rules and regulations to implement" the IRP rules. The MVC Board approved the Proposed Rule at its August 9, 2016 Board Meeting.

The Proposed Rule was published in 48 N.J.R. 2030 on October 3, 2016 and received no public comments, and are proposed for Final Adoption exactly as proposed. The rule reduces the regulatory burden for charter bus companies, who will no longer have to declare in advance the jurisdictions in which they expect to travel. They will now be authorized in all jurisdictions.

ACTION

Approval of this item will authorize the Chairman to file this rule with the Office of Administrative Law (OAL) as a Final Adoption, in substantially the form as attached in Exhibit A.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Final Adoption of amendments to remove the charter bus exemption in International Registration Plan (IRP) regulations.

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Final Adoption pertaining to the charter bus exemption in International Registration Plan (IRP) regulations, in substantially the form as attached in Exhibit A.

TRANSPORTATION

EXHIBIT A

MOTOR VEHICLE COMMISSION

Executive and Administrative Service (International Registration Plan)

Adopted Amendments: N.J.A.C. 13:18-2.1 and 2.2

Proposed: October 3, 2016 at 48 N.J.R. 2030 (a)

Adopted: _____, 2017 by the Motor Vehicle Commission,

Raymond P. Martinez, Chairman

Filed: _____, 2017 as R. 201__, d. , **without change.**

Authority: N.J.S.A. 39:3-1 et seq., 39:3-6.12, 48:4-3, and 39:2A-1 et seq.

Effective Date: _____, 2017

Expiration Date: March 9, 2018

Summary of Public Comment and Agency Response:

No comments were received.

Federal Standards Statement

A Federal Standards analysis is not required because the rules that are the subject of this adoption are dictated by State statutes and are not subject to Federal requirements or standards.

ITEM 1702-04: ENTITY IDENTIFICATION NUMBERS REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Proposed New Rule that would establish procedural requirements for the issuance of an Entity Identification Number, which is sometimes referred to as an MVC "corp code." These identification numbers allow businesses, organizations, government entities, etc., to conduct activity with MVC under the name of the entity. The Commission has issued such identification numbers in the past, does so presently, and will do so in the future. The proposed rules would provide greater clarification in the procedure, eligibility, and other requirements that must be met to obtain an Entity Identification Number.

PURPOSE

This is a Proposed New Rule. The effect of this item is to promulgate new regulations as part of the Commission's Licensing Service regulations.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Proposed New Rule, in substantially the form as attached in Exhibit A.

MVC Board Chairman and Chief Administrator Raymond P. Martinez has adopted a policy that proposed rules are to be provided by the New Jersey Motor Vehicle Commission as a courtesy to inform the public about pending rules. This version is not the official text of the proposal and may differ from the official published text. The official text of the proposal is published in the New Jersey Register issue for the date indicated. Should there be any discrepancies between this version and the official version of the proposal, the official version will govern. All comments must be made consistent with instructions provided with the publishing of this proposal in the New Jersey Register.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Proposed New Rule that would establish procedural requirements for the issuance of an Entity Identification Number;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Proposed New Rule that would establish procedural requirements for the issuance of an Entity Identification Number, in substantially the form as attached in **Exhibit A**.

TRANSPORTATION

EXHIBIT A

MOTOR VEHICLE COMMISSION

Licensing Service

Proposed New Rules: N.J.A.C. 13:21-25

Authorized By: _____
Raymond P. Martinez, Chairman, Motor Vehicle Commission

Authority: N.J.S.A. 39:2-3; 39:2A-2; 39:2A-21; 39:2A-28; 39:3-4; 39:10-4.

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

Proposal Number: PRN 2016-.

Submit comments by _____ to:

Kate Tasch
APO
Motor Vehicle Commission
225 East State Street
PO Box 162
Trenton, NJ 08666-0162
or via e-mail to: rulecomments@mvc.nj.gov

The agency proposal follows:

Summary

This notice of proposal is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5 and the public comment period for this notice will be 60 days.

The Commission proposes new regulations, which would establish procedural requirements for the issuance of an Entity Identification Number. These identification

numbers allow businesses, organizations, and government entities to conduct motor vehicle activity such as titling and registering motor vehicles, obtaining licenses from the Commission, such as a dealer's license, and/or to obtain motor vehicle related information from the Commission, such as by insurance companies, under the name of the entity. The Commission has issued such identification numbers in the past and does so presently. The activities that may be conducted using an Entity Identification Number would not change as a result of the proposed rules. The proposed rules would provide greater clarification in the procedure, eligibility, and other requirements that must be met to obtain an Entity Identification Number.

13:21-25.1 sets forth the purpose and scope of this proposed new rule.

13:21-25.2 provides for definitions of "applicant", "approved entity", "authorized signatory", "business organizational documents", "Chief Administrator", "Commission", "entity", "Entity Identification Number" and "person".

13:21-25.3 sets forth the requirements for issuance of an Entity Identification Number which includes the submission of an application along with certain business organizational documents. The section also requires out of state residents to submit proof of identification.

13:21-25.4 allows for one Entity Identification Number for each FEIN except that an entity may receive an Entity Identification Number for each New Jersey Sales Tax Identification Number corresponding to a single FEIN. If an entity has two or more Entity Identification Numbers for a single FEIN; the Commission will consolidate them.

13:21-25.5 requires the entity to update contact and authorization information by submitting a new BA-8 form.

13:21-25.6 sets forth the grounds by which the Chief Administrator may deny, suspend, revoke or refuse to issue an Entity Identification Number.

13:21-25.7 allows the Commission to inactivate Entity Identification Numbers that have not been used for three or more years and also allows those numbers to be re-activated by submitting an application pursuant to this subchapter.

Social Impact

The proposed rules will directly impact entities, as defined in the proposal, specifically N.J.A.C. 13:21-25.2, including but not limited to businesses, non-profit and other organizations, and government entities, that conduct motor vehicle transactions. The proposed rules will provide clear, enumerated procedures, qualifications, and requirements for obtaining an identification number under which these entities may continue to conduct motor vehicle transactions necessary to the success and continued practice of their business.

The proposed rules will affect a large number of entities that engage in motor vehicle transactions, especially since a significant number of entities own vehicles that are titled and registered in New Jersey. However, the Commission anticipates the impact of these proposed rules to be minimal. The proposed rules serve to codify and improve a procedure that is already in place and has been used by entities in the past.

The Commission expects the proposed regulations to be met with a positive or neutral reaction. The improvements made to the existing procedure under the proposed regulations are intended to make the process of obtaining an Entity Identification Number

more cohesive and to increase the Commission's ability to serve the needs of those entities.

Economic Impact

The proposed regulations will not have a direct economic impact on the general public. There is no cost associated with the generation or application of an Entity Identification Number. The Commission does not anticipate an increase in expenses as a result of the proposed regulations because the rules pertain solely to identification numbers under which an entity may conduct motor vehicle transactions.

Federal Standards Statement

The proposed regulations have no comparable Federal standard that can be applied; therefore, a Federal standards analysis is not required for this rulemaking.

Jobs Impact

The Commission does not anticipate that the proposed regulations will have any impact on jobs. The rules pertain solely to identification numbers under which entities may conduct motor vehicle transactions.

Agriculture Industry Impact

The Commission does not anticipate that there will be any impact on the agriculture industry as a result of the proposed rules. The rules pertain solely to identification numbers under which an entity may conduct motor vehicle transactions.

Regulatory Flexibility Analysis

Some businesses applying for an Entity Identification Number may be small businesses within the meaning of the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., in that they employ less than 100 full-time employees. The businesses will be required to fill out an application form and submit supplemental documentation, including but not limited to, their business registration documents, as required by this rulemaking. The cost of compliance with these regulations will be administrative and minimal in nature, as the application merely requires submission of documents the entity will already have in their possession and will not require professional services. The requirements must be uniform for all applicants and licensees, to the extent applicable to accommodate different models of business organization, in order to preserve the integrity of our business licensing and motor vehicle transaction processes occurring under the name of an entity. Accordingly, an exemption from the reporting and recordkeeping requirement of the proposed regulations is not warranted.

Housing Affordability Impact Analysis

The proposed regulations will have no impact on affordable housing and they will not evoke a change in the average costs associated with housing because the rules pertain solely to identification numbers under which entities may conduct motor vehicle transactions.

Smart Growth Development Impact Analysis

The proposed regulations will have no impact on smart growth and will not evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain solely to identification numbers under which entities may conduct motor vehicle transactions.

Full text of the proposed new regulations follows, additions indicated in boldface thus; deletions indicated in brackets [thus]):

SUBCHAPTER 25 ENTITY IDENTIFICATION NUMBER

13:21-25.1 Purpose and Scope

The rules contained in this subchapter establish standards for the issuance, by the Commission, of an identification number to businesses, organizations, and government entities to conduct motor vehicle activity such as, but not limited to, titling and registering motor vehicles, obtaining licenses from the Commission, such as a dealer's license, and/or to obtain motor vehicle related information from the Commission, such as by insurance companies, under the name of the entity. An Entity Identification Number is a number used by the Commission to identify an entity and may be issued to any entity, including corporations, limited liability corporations, limited partnerships, sole proprietorships, partnerships, trusts, non-profit or not-for-profit that are legally registered to conduct business in New Jersey, or any local, state, or Federal agencies, government, or governmental departments. An entity may be required to obtain an Entity Identification Number,

pursuant to this subchapter, when conducting motor vehicle transactions under the name of a business, organization or other entity. These rules are not intended to govern the issuance and oversight of identification numbers for individuals.

13:21-25.2 Definitions

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

“Applicant” means any entity who has initiated the process of applying for an Entity Identification Number.

“Approved entity” means any entity that has submitted the required application and supplemental documents to the Commission requesting an Entity Identification Number and which has been approved to receive the identification number.

“Authorized signatory” is an employee of the applicant and who the applying entity has indicated, in writing, may transact business on its behalf, including applying for an Entity Identification Number.

“Business organizational documents” are documents verifying the identity of the applying entity and the legitimacy of its existence. Such documents include, but

are not be limited to, proof of Federal Employer Identification Number (FEIN) from the Internal Revenue Service; Certificate of Incorporation, Formation or Trade Name, as applicable; a Business Registration Certificate and a Certificate of Authority from a State which displays the State tax identification number.

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

"Commission" means the New Jersey Motor Vehicle Commission established by section 4 of P.L. 2003, c. 13 (N.J.S.A. 39:2A-4).

"Entity" means any form of business, government, or organization, including, but not limited to, a corporation, limited liability corporation, partnership, limited partnership, sole proprietorship, trust, non-profit or not-for-profit that is legally registered to conduct business in New Jersey, and any local, state, or Federal agency, government, or governmental department, but does not mean an individual.

"Entity Identification Number" is an alpha-numeric identifier, sometimes referred to as a "Corporation Code" or "MVC Issued Identification Number for an entity," assigned to an approved entity under which it may identify itself and conduct business with the Commission in the state of New Jersey.

"Person" means an individual or any entity, including, but not limited to, a corporation, limited liability corporation, partnership, limited partnership, sole proprietorship, trust, non-profit or not-for-profit that is legally registered to conduct business in New Jersey, and any local, state, or Federal agency, government, or governmental departments.

13:21-25.3 Requirements for Issuance of an Entity Identification Number

(a) Every applicant seeking an Entity Identification Number shall submit an application for approval by the Chief Administrator. Only upon submission of a properly completed application, and thereupon receiving notice of approval, shall an applicant be deemed an approved entity and receive an Entity Identification Number.

(b) The application shall include but not be limited to the following information:

- 1. A completed and executed Corpcode Request Form (form BA-8);**
- 2. The following business organizational documents:**
 - a. a document from the Internal Revenue Service displaying the entity's Federal Employer Identification Number ("FEIN"),**
 - b. Certificate of Formation, Incorporation or Trade Name, as applicable,**
 - c. a Business Registration Certificate,**
 - d. a Certificate of Authority from any State which displays the State tax identification number, and**

- e. any other documentation the Chief Administrators deems necessary to verify the identity and legitimate existence of the applicant.
3. An original letter, or certified copy, of authorization or power of attorney, or, for licensed motor vehicle dealers, an authorized signatory card, indicating that the person applying for the Entity Identification Number is an authorized signatory of the entity.
4. If the applicant is an out of state entity, a color photocopy of the driver's license or other proof of photo identification, mailing address, fax number and telephone number of the authorized signatory submitting the application on behalf of the entity. The authorized signatory must accept notices and other communications from and respond to inquiries from the Commission and its representatives concerning the application.

13:21-25.4 Number of Entity Identification Numbers Allowed for Each Entity

- (a) Approved entities may hold only one Entity Identification Number for each FEIN assigned to the entity. If an entity has multiple New Jersey Sales Tax Identification Numbers for a single FEIN, the entity may receive an Entity Identification Number for each New Jersey Sales Tax Identification Number corresponding to a single FEIN.
- (b) Entities that were previously issued two or more Entity Identification Numbers under a single FEIN number may receive notification from the Commission of consolidation into one Entity Identification Number.

13:21-25.5 Change of Ownership, Contact Information or Entity Information

- (a) It is the responsibility of each entity to update the contact and authorization information for the entity by submitting a new Corpcode Request Form (form BA-8) with the necessary proof of the change. Upon receipt and approval, the Commission will amend the entity's information.
- (b) If the information being amended includes a different FEIN number, the entity will be assigned a new Entity Identification Number.

13:21-25.6 Grounds For Rejection or Revocation

- (a) The Chief Administrator or his or her designee may deny, suspend, revoke or refuse to issue an Entity Identification Number for any of the following reasons:

1. Failure to comply with the requirements of this subchapter;
2. Upon notification that the entity has a suspended status with the New Jersey Department of Treasury, Division of Revenue and Enterprise Services, Status and Certification Unit;
3. The entity records with the New Jersey Department of Treasury, Division of Revenue and Enterprise Services have either been cancelled or purged;
4. The entity is not currently registered with the New Jersey Department of Treasury, Division of Revenue and Enterprise Services to do business in New Jersey;

5. The applicant or approved entity made a willful misrepresentation or omission in the application or any other documentation provided to the Commission to obtain an Entity Identification Number or to complete a motor vehicle transaction using the assigned Entity Identification Number; or
6. Violations of any statute or regulation.

13:21-25.7 Inactivation of an Entity Identification Number

- (a) The Commission may inactivate any Entity Identification Number that has not been used for three or more years. Prior to inactivation, the Commission will notify the entity of its intent to inactivate the number. To prevent the Entity Identification Number from inactivation, the entity must respond to the notification by written request within 90 days of the date of notification to keep the number active.
- (b) An entity assigned an Entity Identification Number that becomes inactivated may re-activate that number by submitting an application for the Entity Identification Number to the Commission, pursuant to this subchapter.

**ITEM 1702-05: DISABLED VETERAN AND
PURPLE HEART PLACARD REGULATION****BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Proposed New Rule concerning an exemption from municipal parking fees for disabled veterans and Purple Heart recipients.

PURPOSE

This is a Proposed New Rule. The effect of this item is to promulgate new regulations as part of the Commission's Enforcement Service regulations.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Proposed New Rule, in substantially the form as attached in Exhibit A.

MVC Board Chairman and Chief Administrator Raymond P. Martinez has adopted a policy that proposed rules are to be provided by the New Jersey Motor Vehicle Commission as a courtesy to inform the public about pending rules. This version is not the official text of the proposal and may differ from the official published text. The official text of the proposal is published in the New Jersey Register issue for the date indicated. Should there be any discrepancies between this version and the official version of the proposal, the official version will govern. All comments must be made consistent with instructions provided with the publishing of this proposal in the New Jersey Register.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Proposed New Rule concerning an exemption from municipal parking fees for disabled veterans and Purple Heart recipients;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the Proposed New Rule concerning an exemption from municipal parking fees for disabled veterans and Purple Heart recipients, in substantially the form as attached in Exhibit A.

TRANSPORTATION

EXHIBIT A

MOTOR VEHICLE COMMISSION

Enforcement Service

Disabled Veteran and Purple Heart Recipient Placards

Proposed New Rules: N.J.A.C. 13:20-9.8 – 9.12.

Authorized By: Motor Vehicle Commission, Raymond P. Martinez, Chairman.

Authority: N.J.S.A. 39:2A-28, 39:4-207.10.

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

Proposal Number: PRN 2016-____.

Submit written comments by _____ to:

Kate Tasch, APO

Regulatory and Legislative Affairs

Motor Vehicle Commission

225 East State Street

PO Box 160

Trenton, New Jersey 08666-0160

or via e-mail to rulecomments@mvc.nj.gov

The agency proposal follows:

Summary

The public comment period for this notice of proposal will be 60 days. This notice of proposal is, therefore, excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

The purpose of the proposed new rules is to set forth standards for issuing placards and corresponding identification ("ID") cards to disabled veterans and Purple Heart recipients ("eligible persons"), so as to allow those eligible persons exemption from the payment of municipal parking meter fees in one location for up to 24 hours, when a motor vehicle owned by those eligible persons and of which they are either the driver or a passenger, displays the placard and ID card, or disabled veteran or Purple Heart license plates issued pursuant to N.J.S.A. 39:3-27.15 and N.J.S.A. 39:3-27.35, respectively, and to limit fraudulent use of the privileges reserved for such eligible persons pursuant to N.J.S.A. 39:4-207.10.

The Motor Vehicle Commission ("Commission") currently issues specialized license plates, pursuant to N.J.S.A. 39:3-27.15, to persons who qualify as disabled veterans, and also issues specialized license plates, pursuant to N.J.S.A. 39:3-27.35, to active members of the Military Order of the Purple Heart.

With the passage of N.J.S.A. 39:4-207.10, holders of either of those specialized license plates (disabled veterans and active members of the Military Order of the Purple Heart), are entitled, by virtue of maintaining and displaying those license plates, to exemption from payment of municipal parking meter fees, with certain specified limitations. Additionally, an eligible person who displays a disabled veteran or Purple Heart recipient placard on or within a vehicle owned by that eligible person and of which

they are either the driver or a passenger, along with the associated ID card will also be entitled to an exemption from payment of municipal parking meter fees in one location for up to 24 hours.

The proposed new rules are designed to expedite the issuance of placards and associated ID cards to disabled veterans and Purple Heart recipients, while at the same time limiting fraud in obtaining or using the placards and ID cards by an individual who is not a disabled veteran or Purple Heart recipient, or a person other than to whom a placard and ID card is issued.

The proposed new rules clarify to whom placards and ID cards may be issued, and the proofs necessary for an applicant to establish that the applicant qualifies for a placard and ID card. In addition, the proposed new rules prescribe the recertification timeline by which applicants must submit their renewal application.

New N.J.A.C. 13:20-9.9 – 9.12 limit the number of placards and corresponding ID cards that any recipient may receive to one, set forth the vehicles in which placards may be displayed, and set forth the manner of display. N.J.A.C. 13:20-9.12 also clarifies that the issuance of a disabled veteran or Purple Heart recipient placard does not entitle such placard holder to park in a designated persons with disabilities parking space, but rather in order to park in such a space the placard holder must be independently entitled to such parking by virtue of a qualifying disability and possession of a person with a disability identification card and placard or license plates, and must, if parked in a designated persons with disabilities parking space, carry their identification card and display either the person with a disability placard or the qualifying disability license plates. N.J.A.C. 13:20-9.12 further requires that a disabled veteran or Purple Heart recipient placard and

ID card holder must be the driver or a passenger in the parked vehicle to be eligible for free municipal parking and must carry and display upon request the ID card that corresponds to the applicable placard.

Social Impact

The Commission anticipates that the proposed rules will have a positive social impact on the citizens of New Jersey. The rules are designed to regulate the issuance of placards and corresponding ID cards to legitimate and appropriate eligible persons, specifically disabled veterans and Purple Heart recipients, and to limit fraudulent or improper use of such placards and corresponding ID cards that exempt holders from municipal parking meter fees in one location for up to 24 hours. Under the proposed new rules, qualifying applicants for placards and corresponding ID cards would be required to establish their status as either a disabled veteran or a Purple Heart recipient in order to obtain a placard and corresponding ID card. The Commission anticipates that this requirement will appropriately regulate the number of placards and corresponding ID cards issued, and will thereby reserve the benefit of exemption from payment of municipal parking meter fees to those to whom N.J.S.A. 39:4-207.10 is intended to apply.

The Commission is focused on creating a process that reduces the possibility of obtaining and using the placards and corresponding ID cards improperly, without making the requirements so stringent as to greatly inconvenience those individuals who legitimately qualify for the benefits set forth in N.J.S.A. 39:4-207.10. These proposed new rules encompass that philosophy by requiring applicants to submit sufficient verifiable documentation to support the issuance of a placard and corresponding ID card.

These proposed rules should have a positive impact on eligible persons validly displaying placards, by providing them with free metered municipal parking in one location for up to 24 hours, while at the same time properly allowing municipalities to continue to collect municipal parking meter fees from all other persons to whom parking meter fees apply. In addition, because eligible persons would not be required to pay municipal parking meters in one location for up to 24 hours, the attendant need to return to meters within certain time periods for repayment would be eliminated, resulting in great convenience to them. Additionally, the issuance of corresponding ID cards to placard recipients, and the obligation of the holders to carry and display their ID card upon request, will help ensure that only eligible persons who are entitled to free municipal parking receive that benefit.

Economic Impact

The proposed new rules should not have a significant economic impact on eligible persons, other than the positive impact of enabling them to obtain the free metered municipal parking to which they are entitled under N.J.S.A. 39:4-207.10.

The Commission anticipates that the proposed new rules will have a minimal economic impact due to the resources necessary to evaluate applications for placards and corresponding ID cards and to issue those items. The Commission anticipates that the positive effect of fraud prevention will be balanced by any overhead costs to the Commission for developing the placards and corresponding ID cards, and approving applications and issuing placards and corresponding ID cards to eligible persons. Overall,

the Commission anticipates that the proposed rules will have a neutral economic impact on the Commission.

Federal Standards Statement

A Federal standards analysis is not required because the subject matter of the proposed new rules is authorized under State law and is not subject to Federal requirements or standards. There are no equivalent Federal law standards concerning placards for disabled veterans or Purple Heart recipients.

Jobs Impact

The Commission anticipates any job growth in relation to the proposed new rules will be minimal. The proposed new rules impose a thorough analysis and validation requirement for an eligible person to obtain a placard and corresponding ID card, and this may result in a need for minimal additional resources within the Commission.

Agriculture Industry Impact

The proposed new rules have no impact on the agriculture industry in New Jersey.

Regulatory Flexibility Analysis

A regulatory flexibility analysis is not required because the proposed new rules do not impose reporting, recordkeeping, or other compliance requirements on small businesses. The proposed new rules are centered around a special privilege reserved for the benefit of disabled veterans and Purple Heart recipients. The proposed new rules are being made so as to allow only eligible persons to avail themselves of the privilege, and to protect against misuse or fraud by those not entitled to them. Thus, the proposed new rules only affect certain State and law enforcement agencies and individuals of the general public.

Housing Affordability Impact Analysis

The proposed new rules will not have any impact on affordable housing in New Jersey, and the proposed new rules will not evoke a change in the average costs associated with housing because the proposed new rules pertain solely to placards and corresponding ID cards for disabled veterans and Purple Heart recipients, which entitle them to free municipal metered parking in one location for up to 24 hours.

Smart Growth Development Impact Analysis

The proposed new rules will have no impact on smart growth and will not evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain solely to the placards and corresponding ID cards for disabled veterans and Purple Heart recipients, which entitle them to free municipal metered parking in one location for up to 24 hours.

Full text of the proposal follows (additions indicated in boldface **thus**):

13:20-9.8 Definitions

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

“Veteran” shall mean a person who has been honorably discharged from any branch of the active military service of the United States; and

“Disabled Veteran” shall mean any citizen and resident of this State now or hereafter honorably discharged or released under honorable circumstances from active service in any branch of the Armed Services of the United States and who has been or shall be declared by the United States Veterans Administration, or its successor, to have a service-connected disability; and

“Purple Heart recipient” shall mean a member of the Armed Services of the United States who, while serving under competent authority in a capacity with one of the United States Armed Services has been wounded and awarded the Purple Heart medal; and

“ID card” shall mean a placard identification card issued in conjunction with a disabled veteran placard or a Purple Heart recipient placard for the sole purpose of demonstrating the identification of the person to whom a placard was issued.

13:20-9.9 Application and qualifications for disabled veteran and Purple Heart recipient placards

a. Applications for placards and ID cards will be accepted only if submitted on the form approved by the Chief Administrator.

b. The Chief Administrator shall require the following from an applicant who is a disabled veteran:

i. The original, certified copy or photocopy of the applicant's discharge or separation papers, the original, certified copy or photocopy of the recipient's DD-214, the original, certified copy or photocopy of the recipient's DD-215, or the equivalent; and

ii. The original, certified copy or photocopy of the applicant's award of disability letter from the Veteran's Administration; or

iii. Other proof satisfactory to the Chief Administrator that the applicant is a disabled veteran.

c. The Chief Administrator shall require the following from an applicant who is a Purple Heart recipient:

i. The original, certified copy or photocopy of the applicant's DD-214, the original, certified copy or photocopy of the recipient's DD-215, the original, certified copy or photocopy of the recipient's citation awarding the Purple Heart, or in the case of an Army veteran only, the original, certified copy or photocopy of the applicant's General Order for the Purple Heart; or

ii. Other proof satisfactory to the Chief Administrator that the applicant is a recipient of the Purple Heart.

d. Each disabled veteran placard and associated ID card, shall expire on the last day of the 36th month after it was issued. At such time, and not in excess of 90 days prior, the holder of a disabled veteran placard and ID card shall resubmit a full application in accordance with the requirements of this section. Applications and renewal applications must be made in person at a Commission agency location. At the discretion of the Chief Administrator, renewal applications may also be offered and accepted in the future, by mail or electronically over the internet. Upon receipt of the application and satisfaction that all necessary information has been submitted, the Chief Administrator will issue a new disabled veteran placard and ID card to the applicant.

e. Each Purple Heart recipient placard and ID card shall expire on the last day of the 36th month after it was issued. At such time, and not in excess of 90 days prior, the holder of a Purple Heart recipient placard and ID card shall resubmit a full application in accordance with the requirements of this section. Applications and renewal applications must be made in person at a Commission agency location. At the discretion of the Chief Administrator, renewal applications may also be offered and accepted in the future, by mail or electronically over the internet. Upon receipt of the application and satisfaction that all necessary information has been submitted, the Chief Administrator will issue a new Purple Heart recipient placard and ID card to the applicant.

f. In the event that a disabled veteran who applied for and was granted a disabled veteran placard and ID card is deceased, a member of their immediate

family or other person on their behalf, shall immediately return the disabled veteran placard and ID card to any Commission agency.

g. In the event that a Purple Heart recipient who applied for and was granted a Purple Heart recipient placard and ID card is deceased, a member of their immediate family, or other person on their behalf, shall immediately return the Purple Heart recipient placard and ID card to any Commission agency.

13:20-9.10 Limitation on number of disabled veteran and Purple Heart recipient placards and ID cards

a. One disabled veteran placard and ID card may be issued to a disabled veteran. In no event shall the number of disabled veteran placards and ID cards issued to any disabled veteran exceed one placard and one ID card.

b. One Purple Heart recipient placard and ID card may be issued to a recipient of the Purple Heart, regardless of the number of Purple Heart medals that recipient received. In no event shall the number of Purple Heart recipient placards and ID cards issued to any recipient of the Purple Heart exceed one placard and one ID card.

c. If any person is eligible for both a disabled veteran placard and a Purple Heart recipient placard, along with the associated ID cards, that person must select which of the two available placards and ID cards he or she will request. In no event shall the number of Purple Heart recipient placards and disabled veteran placards combined, along with the associated ID issued to any person who is eligible for both, exceed one placard and one ID card.

13:20-9.11 Placards for passenger vehicles or motorcycles

Placards for disabled veterans and Purple Heart recipients shall be issued for use on passenger vehicles or motorcycles only and in no event shall such placards be issued for or used on any vehicle that is used for commercial purposes.

13:20-9.12 Display of placards and ID cards

a. A disabled veteran or Purple Heart recipient placard shall be displayed in such a manner that it may be viewed from the front and rear of the vehicle by hanging it from the front windshield rearview mirror of a vehicle utilizing a municipal parking meter space. When there is no rearview mirror, the placard shall be displayed on the dashboard of the vehicle.

b. A disabled veteran or Purple Heart recipient placard does not entitle the placard holder to park in a designated persons with disabilities parking space. In order to park in such a spot the placard holder must be independently entitled to such parking by virtue of a qualifying disability and possession of an ID card and either a person with a disability placard or person with a disability license plates that demonstrate such entitlement. If parked in a designated persons with disabilities parking space, the placard holder must carry on their person a disability ID card and the vehicle must display either the person with a disability placard or the qualifying disability license plates.

c. Whenever a vehicle uses a disabled veteran or Purple Heart recipient plate or placard as justification for parking at a municipal meter free of charge in one location for up to 24 hours, the person for or to whom the plate or placard was issued and is being displayed, shall be present as either the driver of or a passenger in the vehicle, and shall carry his or her disabled veteran or Purple Heart recipient ID card and upon request from a law enforcement officer, shall present such card. If the driver or passenger of a vehicle parked at a municipal parking meter free of charge in one location for up to 24 hours is unable to present a valid disabled veteran or Purple Heart recipient ID card showing that the person to whom the license plate or placard was properly issued is present at the location, the person to whom the license plate or placard was issued and/or the person who parked the vehicle at the municipal parking meter free of charge shall be subject to penalty.

ITEM 1702-06: DRIVING SCHOOLS REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including this Proposed Readoption with Amendments of the rule regarding the licensure of businesses and instructors engaged in driving instruction.

PURPOSE

This is a Proposed Readoption with Amendments. The effect of this item is to readopt the existing regulations with amendments regarding Driving Schools.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Proposed Readoption with Amendments, in substantially the form as attached in **Exhibit A**.

MVC Board Chairman and Chief Administrator Raymond P. Martinez has adopted a policy that proposed rules are to be provided by the New Jersey Motor Vehicle Commission as a courtesy to inform the public about pending rules. This version is not the official text of the proposal and may differ from the official published text. The official text of the proposal is published in the New Jersey Register issue for the date indicated. Should there be any discrepancies between this version and the official version of the proposal, the official version will govern. All comments must be made consistent with instructions provided with the publishing of this proposal in the New Jersey Register.

FISCAL IMPACTS

None, as fees and MVC administrative costs are not changed.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including this Proposed Readoption with Amendments of the rule regarding the licensure of businesses and instructors engaged in driving instruction;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of this Proposed Readoption with Amendments of the rule regarding the licensure of businesses and instructors engaged in driving instruction, in substantially the form as attached in **Exhibit A**.

MOTOR VEHICLE COMMISSION

EXHIBIT A

Driving Schools

Proposed Readoption with Amendments: N.J.A.C. 13:23

Authorized By:

Raymond P. Martinez, Chairman,
Motor Vehicle Commission

Authority: N.J.S.A. 39:2-3, 39:2A-28, and 39:12-4.

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

Proposal Number: PRN 2017 -

Submit comments by _____, 2017 to:

Kate Tasch, Administrative Practice Officer
Regulatory and Legislative Affairs
Motor Vehicle Commission
225 East State Street
PO Box 160
Trenton, NJ 08666-0160
or via e-mail to: rulecomments@mvc.nj.gov

Summary

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

The Motor Vehicle Commission (hereinafter "the Commission") proposes to readopt with amendments the provisions of N.J.A.C. 13:23, Driving Schools, in

accordance with N.J.S.A. 52:14B-5.1(b). These rules expire on May 3, 2017. The Commission has reviewed these rules pursuant to Executive Order No. 1 (2010) and has found them to be necessary and required for the purpose for which they were promulgated.

The rules implement the provisions of N.J.S.A. 39:12-1 et seq., which provide for the licensing of businesses engaged in driving instruction and the licensing of instructors employed by such businesses. The rules implement the public policy of this State as set forth in N.J.S.A. 39:12-1 et seq. by establishing licensing standards for driving schools and driving school instructors and setting forth guidelines for transactions between a driving school and persons seeking driving instruction.

The proposed changes to N.J.A.C. 13:23 provide that licensed driving schools shall maintain and provide records to the Commission of the number of behind-the-wheel instruction hours provided by an instructor for classification as a qualified supervising instructor upon the request of the instructor.

The remainder of the regulations are being proposed for readoption as currently existing.

Social Impact

The rules proposed for readoption with amendments have a positive social impact. The amendments to the rules benefit the public by promoting fairness in dealings between a driving school and its driving instructors. A driving instructor will be ensured of receiving proper credit for the number of behind-the-wheel instruction hours

provided under the proposed amendments. The rules proposed for readoption with amendments have no social impact upon the Commission.

Economic Impact

The rules proposed for readoption have an economic impact on the Commission in that its Business License Services Bureau is responsible for the processing of applications for the various types of licenses, endorsements, and certificates provided for in N.J.A.C. 13:23. The Bureau is also responsible for monitoring driving school, driving school instructor, and driving school authorized agent compliance with the provisions of N.J.S.A. 39:12-1 et seq. and N.J.A.C. 13:23, and for initiating administrative suspension proceedings against violators.

The proposed amendments ensure that driving schools report to the Commission the behind-the-wheel hourly instruction provided by instructors at the instructor's request. This facilitates the Commission's ability to issue a timely determination of a driving instructor's classification as a qualified supervising instructor in the processing of applications for new driving school licenses.

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.

Federal Standards Statement

A Federal standards analysis is not required because the rules that are the subject of this proposed readoption with amendments relate to the licensing and oversight of driving schools and driving school instructors, pursuant to N.J.S.A. 39:12-1 et seq., and are not subject to Federal requirements or standards.

Agriculture Industry Impact

The rules proposed for readoption with amendments will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The majority of licensed driving schools in New Jersey are small businesses employing fewer than 100 full-time employees. The proposed readoption with amendments imposes upon driving schools a minor additional reporting and recordkeeping requirement currently required by N.J.A.C. 13:23. Presently, driving schools are required by N.J.A.C. 13:23-2.19(b) to maintain in the student record the instructor's name in addition to the duration and type of all lessons provided. The amendments require that the driving schools also maintain a record for the instructor of the number of behind-the-wheel hours of instruction provided. The amendments also require that driving schools report the instructor's behind-the-wheel instructional hours to the Commission at the request of the instructor. This amendment does not require the driving schools to obtain any additional information than they are already collecting for the student records. Accordingly, the rules proposed for readoption will not require

small businesses to engage additional professional services for compliance therewith. The records are of a kind that would be maintained in the ordinary course of business. Therefore, the rules do not impose unduly burdensome reporting or recordkeeping requirements on small businesses, nor do they necessitate initial capital and annual expenditures for reporting or recordkeeping compliance. The additional compliance requirement must be uniform for all licensees in order to ensure adherence to regulatory requirements. Accordingly, an exemption from the reporting, recordkeeping, and compliance requirements of the proposed amendments is not warranted.

Housing Affordability Impact Analysis

The proposed readoption with amendments will have no impact on the affordability of housing and there is an extreme unlikelihood that the rules would evoke a change in average costs associated with housing because they pertain solely to the licensing and oversight of driving schools and instructors.

Smart Growth Impact

The proposed amendments will have no impact on smart growth and are extremely unlikely to evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain solely to the licensing and oversight of motor vehicle driving schools.

Full text of the proposed readoption may be found in the New Jersey Administrative Code at N.J.A.C. 13:23.

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

13:23-2.19 Recordkeeping **and reporting** requirements

(a - b) (No change).

(c) **For every instructor, a file shall be maintained containing the instructor record, which shall include the instructor's name, license number, dates of employment, position held, and the number of behind-the-wheel hours of instruction provided while employed by the driving school.**

(d) **Upon receipt of written request by the instructor, the driving school shall provide to the Commission within thirty (30) days the following information on company letterhead: the driving school name and address; driving school license number; instructor's name and license number; dates of employment of the instructor; position held by instructor; the number of behind-the-wheel hours of instruction provided by the instructor while in the employ of the driving school; the name, title and signature of the authorized officer of the driving school providing the information.**

[(c)] (e) (No change).

[(d)] (f) (No change).

[(e)] (g) (No change).

ITEM 1702-07: LICENSING SERVICE REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs, including these proposed amendments of the regulations concerning the licensing service.

PURPOSE

This is a Proposed Amendment. The effect of this item is to amend regulations regarding the licensing service as to duplicate registrations and interim licenses.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Proposed Amendment, in substantially the form as attached in Exhibit A.

MVC Board Chairman and Chief Administrator Raymond P. Martinez has adopted a policy that proposed rules are to be provided by the New Jersey Motor Vehicle Commission as a courtesy to inform the public about pending rules. This version is not the official text of the proposal and may differ from the official published text. The official text of the proposal is published in the New Jersey Register issue for the date indicated. Should there be any discrepancies between this version and the official version of the proposal, the official version will govern. All comments must be made consistent with instructions provided with the publishing of this proposal in the New Jersey Register.

FISCAL IMPACTS

None, as fees are not changed, and MVC administrative costs are not anticipated to change.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, including these proposed amendments of the regulations concerning the licensing service as to duplicate registrations and interim licenses;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of the proposed amendments of regulations concerning the licensing service, in substantially the form as attached in **Exhibit A**.

TRANSPORTATION

MOTOR VEHICLE COMMISSION

LICENSING SERVICE

License and Registration Renewals and Restorations

Proposed Amendments: N.J.A.C. 13:21-9.5 through 9.15

Authorized By: Motor Vehicle Commission, Raymond P. Martinez, Chairman and Chief Administrator

Authority: N.J.S.A. 39:2-3, 39:2-3.3, 39:2-3.4, 39:2-3.8, 39:2A-28, 39:3-4, and 39:3-31

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

Proposal Number: PRN 2017-____

Submit written comments by _____ to:

Kate Tasch, APO

Regulatory and Legislative Affairs

Motor Vehicle Commission

225 East State Street

PO Box 160

Trenton, New Jersey 08666-0160

Or via e-mail to rulecomments@mvc.nj.gov

The agency proposal follows:

Summary

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

The Motor Vehicle Commission (Commission) proposes the following amendments to the rules at N.J.A.C. 13:21-9.5 through 9.15, creating a new option for online internet based electronic registration duplicate requests; removing references to outdated technology, specifically telephone based transactions and interactive voice response ("IVR"), and creating interim driver licenses and non-driver identification cards for use in the event of expanded central issuance, by the Commission, of driver licenses and non-driver identification cards. Currently, registrations can be renewed online, by mail or in person at any agency. Duplicate registrations, however, can only be obtained in person at an agency. The proposed amendments will expand duplicate registration options available to New Jersey residents to allow for obtaining registration duplicates online, which is expected to aid in the reduction of in-agency transactions and proportionally reduce foot traffic in the agency offices. New Jersey law, N.J.S.A. 39:2-3.8, expressly authorizes the Director of the Division of Motor Vehicles in the Department of Transportation, which was replaced by the Commission pursuant to the Motor Vehicle Security and Customer Service Act, N.J.S.A. 39:2A-1 et. seq., and to which the Division transferred all of its functions, powers and duties pursuant to N.J.S.A. 39:2A-4, to permit the submission to the Commission of documents and information in electronic and digital form and to permit transactions between the Commission and its customers to be submitted through the internet. The law expressly authorizes the Chief Administrator to

permit such electronic or digital submissions notwithstanding any statutory, regulatory, or other requirement that such applications be signed, certified, verified, or witnessed, or which otherwise explicitly or implicitly requires the preparation or submission of such documents on paper or in written form. While N.J.S.A. 39:2-3.8 expressly provides that the Chief Administrator cannot mandate the use of either a digital or electronic submission by individuals, the Commission wishes to provide its customers with this new option of obtaining duplicate registrations.

These proposed amendments are intended to facilitate implementation of a new online option for obtaining duplicate registrations, and to create interim driver licenses and non-driver identification cards in the event the Commission expands central issuance of licenses and identification cards in the State. Central issuance is a process whereby driver licenses, non-driver identification cards and/or driver permits can be physically produced and issued to applicants from a central location either within or outside New Jersey. Where centralized issuance systems are utilized, applicants are ordinarily provided with interim or temporary documents until the permanent driver license or non-driver identification card is received by them through U.S. mail.

N.J.A.C. 13:21-9.5 is proposed for amendment to add definitions pertinent to the amended rules, specifically "central issuance," "interim driver license," "interim non-driver identification card" and "registration," to remove the definition of "IVR" as outdated technology no longer offered by the Commission, and to revise several other definitions including "applicant" and to facilitate the offering of duplicate registrations online.

N.J.A.C. 13:21-9.6 is proposed for amendment to permit registration duplicates to be accomplished electronically online through the internet, and also specifies certain

registrations as ineligible for electronic duplicates. In addition, the reference to outdated technology, no longer used by the Commission, is proposed to be removed from this section.

N.J.A.C. 13:21-9.7 is amended to require applicants who choose to obtain registration duplicates electronically online through the internet to supply all information requested by the Commission and advises such applicants that their signatures shall be deemed affixed to all information provided electronically. These applicants will also be subject to punishment for knowingly making a false entry in the record, or otherwise supplying false or misleading information, pursuant to N.J.S.A. 2C:28-7 and/or 39:3-37. This amended rule also sets forth certain information required to be provided in connection with the electronic transaction applications, and addresses the availability of a self-printed interim duplicate registration.

N.J.A.C. 13:21-9.8 is proposed for amendment to provide that an applicant who chooses to obtain a duplicate registration electronically online through the internet shall verify or provide the name of the applicant's current vehicle insurance carrier and the full policy number of the vehicle insurance policy, where applicable, as part of the transaction.

N.J.A.C. 13:21-9.9 is proposed for amendment to provide that an applicant using the internet to obtain a duplicate registration must provide the applicant's current street address as part of the duplicate process.

N.J.A.C. 13:21-9.10 is proposed for amendment to provide that an applicant who chooses to obtain a duplicate registration through the internet must electronically enter his or her full social security number. Disclosure of the applicant's social security number is required by N.J.A.C. 13:21-1.3.

N.J.A.C. 13:21-9.11 is proposed for amendment to provide that an applicant who chooses to obtain a duplicate registration through the internet who cannot or will not fully supply or who will not acknowledge or certify, when required, the accuracy of any information supplied, shall not be able to obtain the duplicate through the internet.

N.J.A.C. 13:21-9.12 is proposed for amendment to reflect a new interim registration document that applicants can print upon completion of the online transaction, and which will contain complete registration information and be valid for operation purposes for 14 days from the date of the online transaction. This section also provides for the issuance of interim driver licenses and interim non-driver identification cards if the Commission elects to expand central issuance of driver licenses and non-driver identification cards.

N.J.A.C. 13:21-9.14 is proposed for amendment to permit the Commission, with the consent of the applicant, to survey the applicant's opinion of the electronic duplicate registration internet transaction.

N.J.A.C. 13:21-9.15, addressing protection of personal information, is proposed for amendment to include duplicate registrations and interim driver licenses and non-driver identification cards.

Social Impact

The proposed amendments are beneficial to the public in that they facilitate obtaining duplicate registrations through the internet. Those members of the public who are eligible and wish to avail themselves of the convenience of obtaining duplicate registrations electronically will be able to do so and therefore avoid a trip to a motor vehicle agency. It is expected that the implementation of electronic registration

duplicates, in addition to the registration renewals already available online, will decrease the foot traffic in the various agency locations throughout the State, thereby also proportionately reducing the wait times experienced by customers at those agency locations. It is also anticipated that any associated costs to the Commission will be offset by the convenience offered to the public.

The proposed amendments are also beneficial to the public insofar as they provide for interim driver licenses and non-driver identification cards if the Commission elects to expand central issuance, and this allows applicants to be in possession of credentials in the interim period between application for and receipt of permanent driver licenses and non-driver identification cards.

Economic Impact

The Commission will incur minimal to moderate costs relative to the Commission's operating costs, in establishing and maintaining a system to accommodate electronic registration duplicates. It is anticipated that such costs will be offset by a reduction in the number of written applications that will need to be manually processed as a result of the availability of electronic registration duplicates.

The Commission will also incur costs associated with duplicate registrations in the form of payment of fees to the New Jersey Information Division of NICUSA, Inc. (NICUSA-NJ). NICUSA-NJ is New Jersey's electronic government partner that processes payments by customers through a secure payment gateway, including payments to the Commission for online transactions. NICUSA-NJ charges approximately \$.50 per duplicate registration ordered, and payment of those charges will fall to the Commission since the Commission will no longer be passing that cost through to the consumer in the

form of a convenience fee. The Commission estimates that 150,000 customers, annually, may request duplicate registrations online and that number would translate to payment by the Commission to NICUSA-NJ for those duplicate registration transactions in the amount of \$75,000.00. Persons who wish to obtain duplicates of their registration must pay the applicable statutory fee regardless of whether the duplicate transaction is accomplished by written application or electronically through the internet.

Federal Standards Statement

A Federal standards analysis is not required because the subject matter of the proposed amendments 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 adoption of the proposed amendments.

Agriculture Industry Impact

The Commission does not anticipate that these proposed amendments will have any agriculture industry impact in this State.

Regulatory Flexibility Statement

The proposed amendments do not impose reporting, recordkeeping or other compliance requirements on small businesses as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The proposed amendments only pertain to individuals, not small businesses. Therefore, a regulatory flexibility analysis is not required.

Housing Affordability Impact Analysis

The proposed amendments will not have any impact on affordable housing in New Jersey, and the proposed amendments will not evoke a change in the average costs associated with housing because the proposed amendments pertain solely to electronic registration duplicates and interim driver licenses and non-driver identification cards.

Smart Growth Development Impact Analysis

The proposed amendments will have no impact on smart growth and will not evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the proposed amendments pertain solely to electronic registration duplicates and interim driver licenses and non-driver identification cards.

Full text of the proposal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

**SUBCHAPTER 9 LICENSE AND REGISTRATION RENEWALS, DUPLICATES,
INTERIM DRIVER LICENSES AND NON-DRIVER IDENTIFICATION CARDS AND
RESTORATIONS**

13:21-9.5 Definitions

As used in N.J.A.C. 13:21-9.5 through 9.16, the following words and terms shall have the following meanings:

"Applicant" means an individual who chooses to renew **or obtain a duplicate of** a vehicle registration [by telephone or] **online** through the [I]internet.

"Central issuance" means the process whereby driver licenses, non-driver identification cards and/or driver permits are physically produced and issued to applicants from a central location either within or outside New Jersey.

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

"Commission" means the New Jersey Motor Vehicle Commission established by section 4 of P.L. 2003, c. 13 (N.J.S.A. 39:2A-4).

"Individual" means a natural person.

"Interim driver license" means an interim or temporary document issued by the Commission, which allows the holder to operate a non-commercial vehicle until the holder receives his or her permanent driver license by mail or until the card expires, and unless the holder's driving privileges are suspended, cancelled or revoked. An interim driver license shall not be valid for more than 30 days.

"Interim non-driver identification card" means an interim or temporary document issued by the Commission, which the holder may use for identification purposes until the holder receives his or her permanent non-driver identification card by mail or until the card expires and unless the holder's right to an identification card is suspended, cancelled or revoked. An interim non-driver identification card shall not be valid for more than 30 days.

["IVR" means an interactive voice response system.]

"Personal information" means information that identifies an individual, including an individual's photograph; social security number; driver identification number; name; address other than the five-digit zip code; telephone number; and medical or disability information, but does not include information on vehicular accidents, driving violations, and driver status.

"Registration" means a vehicle registration certificate.

"Transaction" means an authorized and completed electronic or digital exchange conducted between an individual and the Commission [, either through a touch-tone telephone connected to an IVR or] by use of a point-and-click menu through a web browser **online** over the [I]internet, for purposes of renewing **or obtaining a duplicate of the registration of a vehicle.**

"Vehicle" means private passenger automobiles, motorcycles, private utility trailers, house-type semi-trailers, house-type trailers and non-commercial vessels.

13:21-9.6 Application for renewal **or duplicate** of vehicle registration in electronic or digital form, **eligibility**

(a) An application for renewal of a vehicle registration **or duplicate of a vehicle registration** may be submitted to, and processed by, the Commission in electronic or digital form [using a touch-tone telephone connecting to an IVR system, or] through the use of a point-and-click menu through a web browser over the [I]internet, but only in the manner specifically provided for in N.J.A.C. 13:21-9.5 through 9.16, **and authorized by N.J.S.A. 39:2-3.8.**

(b) Application for registration renewal or a registration duplicate must be made in the manner and form provided by the Commission and accompanied by the applicable fee.

(c) A registration holder is only eligible to obtain a duplicate of their registration by online, electronic and/or digital means if:

(1) their original registration certificate was destroyed, lost or stolen, and in conjunction therewith the holder provides a certification in their application stating that their original was destroyed, lost or stolen; or

(2) the holder of the original registration certificate requires a duplicate registration certificate for use by members of his or her family, and in conjunction therewith the holder presents a statement to the Commission to the effect that he or she requires a duplicate registration certificate for use by members of his or her family.

(d) The following registrations are eligible for online, electronic and/or digital registration duplicates:

(1) passenger vehicle registrations;

(2) boat registrations;

(3) motorcycle registrations; and

(4) trailers under 55,000 lbs.

(e) The following registrations are ineligible for online, electronic and/or digital duplicate registrations:

(1) leased vehicles;

(2) cancelled registrations;

(3) surrendered registrations;

(4) expired registrations;

(5) suspended registrations;

(6) registrations where license plates are marked as lost or stolen;

(7) commercial registrations; and

(8) no-fee plate registrations.

(f) The Commission may reject any application for the renewal or a duplicate of a registration, and may require a personal appearance at an agency if the Commission has information that the registration holder has misrepresented eligibility for registration in any manner.

13:21-9.7 Content of application; signature; false entry

(a) An applicant shall supply all information requested by the Commission during the electronic renewal and duplicate process. As authorized by N.J.S.A. 39:2-3.8, the signature of an applicant shall be deemed affixed to all information submitted electronically. In addition, upon application for a duplicate registration, the applicant must certify that the original document they are seeking to replace has been destroyed, lost or stolen, or alternately that the holder requires a duplicate registration certificate for use by members of his or her family.

(b) The system utilized by the Commission shall include adequate provision for verification, certification, witnessing or other formal requirements that must be met with respect to documents or other information permitted by the Chief Administrator to be submitted in electronic or digital form. The system utilized by the Commission shall also include safeguards deemed necessary by the Chief Administrator to protect the privacy and prevent the improper access to and disclosure of any personal information that may be transmitted in an electronic or digital form or processed electronically.

(c) An applicant is subject to punishment, **in accordance with N.J.S.A. 2C:28-7 and/or 39:3-37**, for knowingly making a false entry in the record, or otherwise supplying false or misleading information.

(d) The electronic or digital application for a duplicate registration shall require online authentication and shall also include at least the following:

(1) A certification that the original duplicate vehicle registration has been destroyed, lost or stolen, or a statement to the Commission that the registration holder requires a duplicate registration certificate for use by members of his or her family; and

(2) The applicant's certification that the statements made in the application are correct.

3:21-9.8 Identification of insurance carrier and policy number

An applicant shall verify or provide the name of the applicant's current vehicle insurance carrier and the full policy number of the vehicle insurance policy as part of the registration renewal or **duplicate** process.

13:21-9.9 Verification of current mailing address

[(a) An applicant who chooses to renew a vehicle registration by telephone shall electronically verify the current mailing address as printed on the registration renewal form received in the mail from the Commission. An applicant whose current mailing address is not identical to the address printed on the registration renewal form received in the mail from the Commission shall not be able to renew his or her vehicle registration by telephone.]

An applicant who chooses to renew a vehicle registration **or obtain a duplicate registration electronically** through the [I]internet shall verify or provide the applicant's address as part of the registration renewal process.

13:21-9.10 Submission of social security number

An applicant shall enter the applicant's full social security number as part of the registration renewal **or duplicate** process. Disclosure of the applicant's social security number is mandatory under N.J.A.C. 13:21-1.3, and may be used only for the purposes contained in N.J.A.C. 13:21-1.4.

13:21-9.11 Inability or refusal to provide all information requested

An applicant who cannot or will not fully provide required information or an applicant who will not acknowledge or certify, when required, the accuracy of information provided, shall not be able to renew **or obtain duplicates** of his or her vehicle registration [by telephone or] through the [I]internet.

13:21-9.12 Automatic extension of prior registration for timely renewal by mail [, telephone] or through the []internet, **interim duplicate registration and interim driver license and non-driver identification card.**

(a) An applicant who has accurately and timely completed a registration renewal process [by telephone or] through the []internet, but who does not receive a renewed registration document from the Commission before the date on which the applicant's prior registration document expires, shall be automatically granted an extension of the prior registration document by the Chief Administrator, in accordance with the provisions of N.J.S.A. 39:3-4 and 39:2-3. The automatic extension of the prior registration document shall terminate upon receipt by the applicant of the renewed registration document or the passage of three weeks from the original expiration date, whichever is earlier, unless the Chief Administrator expressly determines otherwise.

(b) An individual who has accurately and timely completed a registration renewal process by mail, but who does not receive a renewed registration document from the Commission before the date on which the individual's prior registration document expires, shall be automatically granted an extension of the prior registration document by the Chief Administrator, in accordance with the provisions of N.J.S.A. 39:3-4 and 39:2-3. The automatic extension of the prior registration document shall terminate upon receipt by the individual of the renewed registration document or the passage of three weeks from the original expiration date, whichever is earlier, unless the Chief Administrator expressly determines otherwise.

(c) **Upon successful completion of an online duplicate registration transaction, an interim duplicate registration will be made available to the applicant, which may be**

printed by the applicant. The interim registration is valid for 14 days from the date of the online electronic transaction, and shall contain at a minimum an expiration date along with the applicable vehicle information.

(d) If the Commission determines that central issuance of driver licenses and non-driver identification cards shall be expanded in the State of New Jersey, an interim driver license or interim non-driver identification card may be issued by the Commission at such time that an applicant has met all the requirements for the issuance of a driver license or a non-driver identification card in accordance with N.J.S.A. 39:3-10, et seq., N.J.S.A. 39:3-29.2, et seq., and N.J.A.C. 13:21-8.1, et seq. The interim driver license shall permit the applicant, while the interim driver license is in his or her possession, to drive a motor vehicle. The interim driver license shall indicate the class of license granted and any endorsements granted. No interim driver license shall be issued for a Commercial Driver License or a Commercial License Permit. The Commission may issue an interim driver license or interim non-driver identification card which shall be valid for a period of time not to exceed 30 days. The interim driver license or interim non-driver identification card shall become invalid when and as described in the subsections below.

- i. An interim driver license or interim non-driver identification card is invalid when the driver license or non-driver identification card is received in the mail;
- ii. An interim driver license or interim non-driver identification card is invalid when driving privileges or rights to a non-driver identification card are suspended, cancelled or revoked; and

iii. **An interim driver license or interim non-driver identification card is invalid when the interim driver license or interim non-driver identification card expires, if not already invalidated pursuant to subsections (i) and (ii) above.**

13:21-9.14 Applicant survey

The Commission may, either directly or through a consultant or a contractor, survey applicants to ascertain from them their opinions, observations, or recommendations regarding the process of renewing **or duplicating** registrations [by telephone or] through the [internet]. Although these surveys will be conducted in conjunction with actual transactions, an applicant need not participate in the survey in order to conduct the transaction. Participation in such a survey will be solely at the option of an applicant, and survey results shall contain no personal information, unless expressly authorized by the applicant.

3:21-9.15 Non-waiver of privacy protections

The protections from unauthorized access to or disclosure of personal information specified in N.J.A.C. 13:21-9.5 through 9.16 are not intended to be construed so as to waive, qualify, limit or otherwise restrict any other protections arising out of any law, rule or regulation that are available to any individual renewing **or duplicating** a vehicle registration **or renewing or duplicating a driver license or non-driver identification card.**

ITEM 1702-08: ZONE OF RATE FREEDOM REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act (the "Act"), P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs. Also, the Act at section 98 assigns to MVC the duty to implement the Zone Of Rate Freedom (ZORF) law found at N.J.S.A. 48:4-2.20 to 2.25. In 1995, the New Jersey Department of Transportation (NJDOT) had assigned this duty to the former Division of Motor Vehicles (DMV) when DMV was transferred to NJDOT, and MVC has inherited it.

PURPOSE

This is a Proposed Readoption with Amendments. The effect of this rule is to fulfill the statutory requirement that MVC set a percentage limit or "Zone" within which private bus companies are *free* to adjust their *rates* (or fares or charges) for in-state bus routes. Under P.L. 1983, c.517, private bus companies are free to make these adjustments. Of over 100 such companies, typically up to five exercise that freedom annually and notify MVC, which confirms any adjustment is within the ZORF Zone.

ACTION

Approval of this item will authorize the Chairman to file the regulations with the Office of Administrative Law (OAL) as a Proposed Readoption with Amendments, in substantially the form as attached in Exhibit A. The rule states in relevant part:

"16:53d-1.1 General Provisions.

Any regular route autobus carrier operating within the State which seeks to revise its rates, fares or charges in effect as of the time of the promulgation of this rule shall not be required to conform with N.J.A.C. 16:51-3.10...provided the increase or decrease in the rate, fare or charge, or the aggregate of increases and decreases in any single rate, fare or charge is not more than the maximum percentage increase (10 percent for 2017) or decrease (10 percent for 2017), upgraded to the nearest \$.05."

MVC Board Chairman and Chief Administrator Raymond P. Martinez has adopted a policy that proposed rules are to be provided by the New Jersey Motor Vehicle Commission as a courtesy to inform the public about pending rules. This version is not the official text of the proposal and may differ from the official published text. The official text of the proposal is published in the New Jersey Register issue for the date indicated. Should there be any

discrepancies between this version and the official version of the proposal, the official version will govern. All comments must be made consistent with instructions provided with the publishing of this proposal in the New Jersey Register.

FISCAL IMPACTS

MVC does not receive any proceeds from any rate, fare or charge adjustments. It is fulfilling a duty assigned to DMV in 1995. For illustrative purposes, a 10% increase on a \$1.65 fare would result in a \$.17 fare adjustment to \$1.85, and a 10% decrease on a \$1.25 fare would result in a \$.15 fare adjustment to \$1.10.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13 (the "Act"), as the enabling statute that created the Motor Vehicle Commission, and as amended by P.L. 2007, c.335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to the Motor Vehicle Commission the duty to implement regulations affecting various programs, at section 98 assigns to MVC the duty to implement the Zone Of Rate Freedom (ZORF) law found at N.J.S.A. 48:4-2.20 to 2.25;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to file with the Office of Administrative Law a notice of this Proposed Readoption with Amendments of the rule regarding the Zone Of Rate Freedom, in substantially the form as attached in Exhibit A.

TRANSPORTATION

EXHIBIT A

MOTOR VEHICLE COMMISSION

REGULATORY AFFAIRS (COMMERCIAL PASSENGER TRANSPORTATION)

Zone of Rate Freedom

Proposed Readoption with Amendments: N.J.A.C. 16:53D

Authorized By:

Raymond P. Martinez, Chairman,
Motor Vehicle Commission

Authority: N.J.S.A. 27:1A-5, 27:1A-6, 48:2-21, and 48:4-2.20 through 2.25

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

Proposal Number:

Submit written comments by _____, 2017 to:

Kate Tasch, APO
Attention: Regulatory and Legislative Affairs
New Jersey Motor Vehicle Commission
225 East State Street
PO Box 162
Trenton, NJ 08666-0162
or via e-mail to rulecomments@mvc.nj.gov

The agency proposal follows:

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

The Motor Vehicle Commission (hereinafter "the Commission") proposes to readopt with amendments, the provisions of N.J.A.C. 16:53D, Zone of Rate Freedom, in accordance with N.J.S.A. 52:14B-5.1b, which was amended effective April 6, 2011 by P.L. 2011, c.45 to extend chapter expiration dates for a period of two years, and the "sunset" and extend other provisions of Executive Order No. 66 (1978), as well as Executive Order No. 1 (2010) that froze and suspended all proposed regulations, for a period of 90 days. Accordingly, these rules expire on September 21, 2017, per the Adoption Notice at 42 N.J.R. 2433(a).

The Commission has reviewed the rules and has determined that they are necessary, reasonable and proper for the purpose for which they were promulgated.

The Commission is statutorily obligated to establish for each calendar year a Zone of Rate Freedom (ZORF) for regular route private autobus carriers providing service within the State. See N.J.S.A. 48:4-2.21, as amended by P.L. 2003, c. 13, s. 98. See also N.J.S.A. 48:4-2.20 through 2.25. The ZORF is the maximum permitted percentage increase adjustment and the maximum permitted percentage decrease adjustment that a private autobus carrier may make to its rate, fare or charge for intrastate regular route service without first having to petition the Commission for approval. The maximum ZORF percentage amounts for increases and decreases take into account the varying fares currently charged

by intrastate regular route private autobus operators. In accordance with N.J.S.A. 48:4-2.21, relevant factors that must be considered by the Commission in setting the ZORF percentages include, but are not limited to, the availability of alternative means of transportation; fluctuations in operational bus costs; and rates, fares, and charges existing in the bus industry and in other related transportation services, as well as the interests of the users of bus service in this State.

As long as the autobus carrier's fare adjustments remain within the designated ZORF percentage range, the carrier need only give notice to the Commission and the bus-riding public of the rate, fare, or charge adjustment. However, should a regular route private autobus carrier need a percentage fare adjustment greater than that allowed by the ZORF, the carrier will be required to comply with the petitioning procedures set forth in N.J.S.A. 48:2-21 and 48:2-21.1.

The ZORF percentage limitations set forth in N.J.A.C. 16:53D-1.1 apply only to regular route private autobus carriers. N.J.S.A. 48:4-2.25 authorizes the Commission to exempt rates, fares and charges for regular route in the nature of special (casino bus operations), charter, and special autobus operations from this regulation, upon determination of the Commissioner.

N.J.A.C. 16:53D-1.1 consists of general provisions and standards that regular route private autobus carriers must follow, and specifies the maximum ZORF percentages for rate, fare, or charge increases and decreases for the calendar year and exempts student, senior, transfer, interline and other unique rates, fares or charges for a regular route from the requirements of this chapter provided they remain less than the current or adjusted regular route fare applicable

to the route. The Commission proposes to amend N.J.A.C. 16:53D-1.1, given the Commission's statutory obligation to establish for each calendar year a Zone of Rate Freedom (ZORF) for regular route private autobus carriers providing service within the State, by deleting references to 2016 and inserting 2017. However, no amendment is proposed at this time to the percentage limitations that are currently 10.0%.

N.J.A.C. 16:53D-1.2 sets forth the requirements with which regular route private autobus carriers must comply if they seek a fare adjustment pursuant to the ZORF.

N.J.A.C. 16:53D-1.3 sets forth the types and categories of autobus operations that are exempt from the ZORF requirements.

Social Impact

The proposed readoption with amendments have a positive social impact in that they enable private autobus carriers to increase or decrease regular route fares marginally within established limits without having to undertake costly and time-consuming formal administrative proceedings. Since the ZORF fare adjustment mechanism allows autobus carriers to effectuate minor changes to their regular route fares without the necessity of making a complex, formal tariff filing with the Commission, the ZORF fare adjustment procedures result in cost and time savings for both the regulated industry and the Commission. The ZORF-controlled fare increases also encourage autobus carriers to invest in new buses and in the servicing and maintenance of their existing fleet of buses, while at the same time protecting the public from unreasonable fare increases. The ZORF

percentage limit for fare decreases discourages predatory fare-reducing tactics designed to reduce or eliminate competition. In sum, the ZORF fare adjustment mechanism has a positive impact upon the autobus industry and the Commission while also benefiting the public interest.

Economic Impact

The proposed readoption with amendments offer privately owned autobus companies a measure of flexibility in effectuating marginal adjustments to their regular route fares. Such companies can avoid the rate increase petition process set forth in N.J.S.A. 48:2-21 and 48:2-21.1, which is costly and time consuming, provided the fare adjustment that is sought remains within the percentage limits set forth in the ZORF rules. Although the ZORF provides a mechanism for regular route private autobus carriers to increase rates, fares, or charges, any adverse impact of such fare increases upon the public will be mitigated by the percentage limitations set forth in N.J.A.C. 16:53D-1.1. The ZORF percentage limitations are intended to ensure that only reasonable rate, fare, or charge increases will occur. The exemption of charter, casino, and special bus operations from the ZORF rules will have no adverse economic impact on the public because the competitive nature of these markets due in large part to their elastic demand, protects consumers from unreasonable rate, fare, or charge adjustments.

Federal Standards Statement

A Federal standards analysis is not required because the rules that are the subject of this proposed readoption are dictated by State statutes and are not subject to Federal requirements or standards.

Jobs Impact

Although the ZORF rules could theoretically have an impact upon the jobs of private autobus carrier employees and the bus-riding public, no specific number of jobs generated or lost as a result of these rules can be calculated. With limits on fare increases, private autobus carriers could conceivably adjust their employee levels to address financial constraints. Similarly, the ability of commuters to travel to their job sites could be affected by any changes made by such autobus carriers in bus routes or service to certain areas caused by shifts in employee staffing levels. However, it should be noted that rate change protection for both autobus carriers and commuters exists in other statutes and regulations that govern rate changes outside the ZORF limits.

Agriculture Industry Impact

The proposed readoption with amendments will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The proposed readoption with amendments affect private autobus carriers that are small businesses as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

Regular route private autobus carriers that seek ZORF fare adjustments are required to comply with N.J.A.C. 16:53D-1.2. That chapter requires that such carriers notify the Commission of a ZORF fare adjustment by filing a complete schedule of all current fares and all fares that will be adjusted. The carrier must also provide public notice of the ZORF fare adjustment in accordance with N.J.A.C. 16:53D-1.2 herein and must file with the Commission an affidavit confirming its compliance with said public notice requirement.

These regulatory mandates constitute reporting, recordkeeping, and compliance requirements as defined in the Regulatory Flexibility Act. However, they affect only those private autobus carriers that choose to avail themselves of the ZORF fare adjustment procedure. The Commission believes that these reporting, recordkeeping, and compliance requirements are minimal and impose no burden on regular route private autobus carriers. Nor are professional services, such as those provided by engineers, attorneys or accountants, required for compliance with the reporting and recordkeeping provisions of this rule. In fact, the ZORF fare adjustment mechanism is substantially less burdensome than the rate increase petition process to which autobus carriers are subject under N.J.S.A. 48:2-21 and 48:2-21.1.

Housing Affordability Impact

It is not anticipated that the proposed amendments will have any impact on housing costs because the scope of the regulation, inasmuch as it applies only to procedures for amending regular route autobus fares, is minimal, and there is an extreme unlikelihood that it would evoke a change in the average costs associated with housing.

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

16:53D-1.1 General provisions

(a) Any regular route autobus carrier operating within the State, which carrier seeks to revise its rates, fares or charges in effect as of the time of the promulgation of this rule, shall not be required to conform with N.J.A.C. 16:51-3.12**10**, Tariff filings[,] that do not propose increases in charges to customers, or [3.13] N.J.A.C. 16:51-3.11, Tariff petitions[,] that propose increases in charges to customers, provided the increase or decrease in the rate, fare or charge, or the aggregate of increases and decreases in any single rate, fare or charge is not more than the maximum percentage increase (10 percent for [2016] **2017**) or decrease (10 percent for [2016] **2017**), upgraded to the nearest \$.05.

1. For illustrative purposes, the following chart sets forth the [2016] 2017 percentage maximum for increases to particular rates, fares or charges and the resultant amount as upgraded to the nearest \$.05:

<u>Present Fare</u>	<u>Percent of Increase</u>	<u>Increase Upgraded</u> <u>To Nearest \$.05</u>
\$ 2.00 or less	10.0%	\$.20
\$ 2.05-\$ 2.50	10.0%	\$.25
\$ 2.55 upward	10.0%	\$.30+

2. For illustrative purposes, the following chart sets forth the [2016]2017 percentage maximum for decreases to particular rates, fares or charges and the resultant amount as upgraded to the nearest \$.05:

<u>Present Fare</u>	<u>Percent of</u>	<u>Decrease Upgraded</u>
	<u>Decrease</u>	<u>To Nearest \$.05</u>
\$.50 or less	10%	\$.05
\$.55 to \$ 1.00	10%	\$.10
\$ 1.05 upward	10%	\$.15+

3. Except as may be provided in the Certificate of Public Convenience and Necessity, changes to student, senior, transfer, interline and other unique rates, fares or charges for a regular route shall not be subject to the requirements of this chapter, provided they remain less than the current or adjusted regular route fare applicable to the route.

16:53D-1.2 Requirements

(a) No change.

16:53D-1.3 Exemptions

No change.

ITEM 1702-09: BOAT REGULATION**BENEFITS**

The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission (MVC), and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs for the effective functioning of the Commission, including this proposed readoption with amendment of boating regulations that are jointly proposed and jointly adopted by the Boat Regulation Commission (BRC) and the Motor Vehicle Commission (MRC).

PURPOSE

This is a Final Adoption. The effect of this item is to reauthorize the boating regulatory requirements prior to their expiration in May 2017.

These requirements include registration of vessels, licensing of boat operators and titling of vessels, each of which falls within the purview of MVC. Further, within the purview of the Boat Regulation Commission, the requirements include where boats may be operated, speed limits, hours of operation, accident reporting rules, water events, etc.

The Boat Regulation Commission is scheduled to meet shortly to approve this readoption with amendments and requests your approval. MVC's portion of the regulations is limited to New Jersey Administrative Code (N.J.A.C.) 13:82-8.1 through 13:82-9.1. The MVC portion amends the boat regulations to require the same six points of identification as is required for a basic driver license. The amendments reflect current MVC practice.

ACTION

Approval of this item will authorize the Chairman and BRC to jointly file the Final Rule.

FISCAL IMPACTS

This regulatory proposal does not contain any new fees and it does not increase existing fees.

RESOLUTION

WHEREAS, The Motor Vehicle Security and Customer Service Act, P.L. 2003, c.13, as the enabling statute that created the New Jersey Motor Vehicle Commission, and as amended by P.L. 2007, c. 335 and by P. L. 2009, c.298, at sections 4 and 40 assigns to MVC the duty to promulgate regulations affecting various programs for the effective functioning of the Commission; and

WHEREAS, The Motor Vehicle Commission has developed a proposed readoption with amendment with the Boat Regulation Commission for the reauthorization and updating of boating regulations prior to their expiration in May 2017; and

WHEREAS, The Motor Vehicle Commission is proposing changes to its portion of these regulations through this regulatory proposal;

NOW, THEREFORE, BE IT RESOLVED that the Chairman is authorized to jointly file at the Office of Administrative Law this Final Rule concerning boating, in substantially the form as attached in Exhibit A.

LAW AND PUBLIC SAFETY

EXHIBIT A

BOAT REGULATION COMMISSION

MOTOR VEHICLE COMMISSION

Boating Regulations

Readoption with Amendments: N.J.A.C. 13:82

Adopted New Rule N.J.A.C. 13:82-1.21

Proposed: December 5, 2016 at 48 N.J.R. 2583(a)

Adopted: March 6, 2017 by the New Jersey Boat Regulation Commission, Edward Harrison, Jr.,

Acting Chair, _____ with the approval of Christopher Porrino,

Attorney General _____, and _____ by the Motor Vehicle

Commission Raymond P. Martinez, Chairman and Chief Administrator _____.

Filed: _____ as R. _____, without change, **but with**

proposed amendment N.J.A.C. 13:82-3.11(l) not adopted but still pending.

Authority: N.J.S.A. 12:7-34.40, 12:7-34.49 and 12:7A-28

Effective Date: _____, Readoption

_____, Amendments and New Rule

Expiration Date: _____

Summary of Public Comments and Agency Responses:

In this notice of adoption, the Boat Regulation Commission (BRC) and the Motor Vehicle Commission (MVC) proceed with the readoption of the rules at N.J.A.C. 13:82 and the adoption of the proposed amendments and new rule, with the exception of proposed amendment N.J.A.C. 13:82-3.11(*l*). The BRC received 62 comments opposing proposed amendment N.J.A.C. 13:82-3.11(*l*), and 57 comments in support of proposed amendment N.J.A.C. 13:82-3.11(*l*). At a BRC public meeting on January 11, 2017, attendees voiced similar opposition and support to the proposed amendment.

It is necessary for the BRC to proceed with this notice of adoption to prevent N.J.A.C. 13:82 from expiring. However, to give the comments on and related to N.J.A.C. 13:82-3.11(*l*) full consideration, the BRC will hold proposed amendment N.J.A.C. 13:82-3.11(*l*) as pending. In the future, if the BRC decides to file a separate notice to adopt N.J.A.C. 13:82-3.11(*l*), or make substantial changes to the proposed amendment and file a notice of substantial changes upon adoption (pursuant to N.J.S.A. 52:14B-4.10), the BRC will respond to the comments on and related to N.J.A.C. 13:82-3.11(*l*) at that time.

The official comment period ended February 3, 2017. The BRC received written comments, about sections other than and not related to N.J.A.C. 13:82-3.11(*l*), from the following:

1. Dean Burnett, President, Yamaha Watercraft Group
2. David Dickerson, National Marine Manufacturing Association
3. Charles Ferruggia
4. Kevin Garrity
5. William Higgins, Public Policy Manager, Marine Retailers Association of the Americas

6. Marcia M. Krull, Volvo Penta of the Americas, Inc
7. Duane Kuck, President and CEO, Regal Marine Industries, Inc.
8. Dave Lage
9. slayerarrow@gmail.com (No name given)
10. Paul Sutphen

N.J.A.C. 13:82-3.1(d)

COMMENT: The proposed amendment adds new language requiring tow lines used in wake surfing to be no less than eight feet in length. The current rule only addressed waterskiing and required tow lines used in waterskiing activities to be no less than 35 feet in length. The commenters both supported and opposed the 8 foot minimum tow line length for wake surfing. Generally, those in support stated the activity is safe and enjoyed at slow speeds, which allows the vessel to make a larger wake and requires a shortened rope. However, those who expressed their opposition argued the reduced rope length creates a dangerous, life threatening situation when used in conjunction with older ski boats and inboard/outboard motors and urged the BRC not to adopt the amendment.

RESPONSE: The BRC has noted the concerns of the commenters and has conducted research related to towed watersports and has deemed the reduction in tow line length, pertaining to wake surfing only, as safe. The current rule that requires tow lines used in waterskiing activities to be no less than 35 feet in length remains in effect. Therefore, the amendment requiring the minimum tow line length for wake surfing will stand as proposed.

N.J.A.C. 13:82-3.1(i)

COMMENT: The proposed amendment prohibits the use of vessels propelled by other than

direct drive or v-drive motors for the purpose of wake surfing. Commenters generally expressed concern that the amendment would prevent participants in all towed water sport activities, specifically tubing, from utilizing water jet-driven vessels. They argued that using jet-driven vessels in conjunction with the mandated 35-foot tow rope for tubing and waterskiing activities is both commonplace and safe. Commenters additionally stated there have been recent innovations in the marine industry which have produced jet-driven boats specifically designed for wake surfing. These vessels are built with specific swim platforms which extend well beyond the transom, thus creating a safe distance from the propulsion source. Lastly, the commenters stated there are alternative propulsion methods which have been designed and utilized for wake surfing which are reported to be safe. The commenters specifically named the "Volvo-Penta Forward Drive (FWD) system" which is designed with a forward facing propeller and is used for wake surfing. They suggested the amendment be changed to define a wake surfing boat as "a boat specifically designed and recommended by the manufacturer for wake surfing" and permit these vessels to be used for this activity.

RESPONSE: The BRC would like to clarify that the amended rule is not restricting the use of jet-propelled boats for waterskiing and tubing. The restriction is specifically for wake surfing only. In addition, at the time of the drafting of the proposed amendments to this rule, the Volvo-Penta FWD system was not yet released to the market and there were significant safety concerns regarding the use of jet-drive systems for wake surfing. In an effort to make wake surfing an allowable and safe watersport in the State, the BRC must proceed with N.J.A.C. 13:82-3.1(i). However, the BRC will continue to research the validity of the claims of the commenters and advancements in propulsion technology, and will make any necessary amendments to the rule at a future date.

The MVC received no comments on or related to N.J.A.C. 13:82-8.1 through 9.1.

Federal Standards Statement

A Federal standards analysis is not necessary because the readopted rules and the adopted amendments and new rule do not exceed Federal boating standards promulgated by the United States Coast Guard to the extent that those standards are applicable to waters of the State. Adopted N.J.A.C. 13:82-1.3 incorporates by reference Federal standards on required equipment contained in Title 33 and Title 46 of the Code of Federal Regulations. Adopted N.J.A.C. 13:82-1.8 with amendments incorporates by reference Federal standards contained in the Inland Navigation Rules in 33 U.S.C. §§2071 through 2073 and 33 C.F.R. Parts 83 through 90, and the International Navigation Rules in 33 U.S.C. §§1601 through 1608 where applicable. Adopted N.J.A.C. 13:82-1.18 with amendments requires conformity with the Federal Inland Navigation Rule found at 33 C.F.R. § 83.30. Adopted N.J.A.C. 13:82-2.1 with amendments conforms to the Federal boat accident reporting requirements contained in 33 C.F.R. § 173.1 et seq., consistent with N.J.S.A. 12:7-34.46.

Full text of the adoption follows:



New Jersey Motor Vehicle Commission

P.O. Box 160
Trenton, New Jersey 08666-0160

STATE OF NEW JERSEY

Chris Christie
Governor

Kim Guadagno
Lt. Governor

Raymond P. Martinez
Chairman and Chief Administrator

To: Raymond P. Martinez, Chairman

CC: MVC Board Members

From: Laura Hahn, Legislative Liaison

Date: February 16, 2017

Re: Legislative Report

This Legislative Report provides a summary of legislative activity since the December 2016 Motor Vehicle Commission (MVC) Board meeting.

Bills Signed by the Governor

A-2107/S-2350 (Mukherji D33; Holley D20; Gusciora D15; Pintor Marin D29; Wimberly D35; Ruiz D29; Madden D4)

Exempts homeless from fee for non-driver identification cards.

Effective Date: September 1, 2017

Chapter Law: P.L.2016, c.99

MVC Impact: The Commission has to determine when to issue a non-driver ID at no cost and Agency Services staff should be made aware of this change. IT changes may be necessary, as well.

S-727/A-3955 (Cruz-Perez D5; Van Drew D1 / Barclay D5; Wimberly D35; Holley D20)

"New Jersey Open Data Initiative;" to require certain information be provided on Internet to public and State agencies.

Effective Date: May 7, 2017

Chapter Law: P.L.2017, c.2

MVC Impact: The MVC will need to adopt policies that are consistent with the open data security and technical standards, policies, and practices established by the Chief Data Officer (who is to be designated by the State Treasurer) that govern access to open data and datasets available on the open data website of the agency. In addition, the MVC must create an inventory of all its open data and datasets, provide explanations about the open data, its format, how often the open data and datasets are updated, and how notice regarding such updates can be obtained, and assist users seeking to gain access to the open data and datasets of the agency through the deployment of online access tools, and the development and publication of application program interfaces. The Commission is to either provide datasets to the Chief Data Officer or create and maintain on the MVC's

website links to the datasets hosted by the MVC. If the MVC chooses to host its open datasets on the MVC website, links must be provided to the Chief Data Officer for publication on the dedicated website maintained for that purpose by that officer. Unless a fee is required by law, open datasets are to be provided to the public by an agency without cost to the public.

S-2364/A-3946 (Oroho R24; Stack D33 / Burzichelli D3; Dancer R12; Mukherji D33)
Establishes pilot program appointing third party vendors to administer commercial driver license testing.

Effective Date: This act shall take effect immediately. Although, the private third party vendors should be appointed within 90 days following the effective date of this act. Also, an evaluation of the pilot program with recommendations that will facilitate the permanent use of third party vendors should be submitted to the Governor and the Legislature within nine months of the effective date of this act.

Chapter Law: P.L.2017, c.10

MVC Impact: In implementing the pilot program, the bill requires the MVC to identify and compile a list of eligible third party vendors to provide testing. The Commission will need to establish guidelines necessary to oversee the administration of commercial motor vehicle driver testing by private third parties. A new audit group will need to be created to conduct covert and overt mandatory CDL audits to ensure compliance with both State and Federal requirements and deter fraud. The MVC will have to establish a fee schedule for third party testing in addition to the MVC commercial license permit fee of \$125. The Commission would also have to establish sanctioning and fines, and tables to regulate discipline for failure to comply. Other efforts would include certifying CDL road test courses and basic skills test courses, ensuring secure offsite storage of records and more. Within nine months of the bill's effective date, the bill requires the MVC to submit to the Governor an evaluation of the pilot program with recommendations that will facilitate the permanent use of third party vendors.

A-3695/S-2179 (Lagana D38; Singleton D7; Wisniewski D19 / Sarlo D36; Kyrillos R13)
Regulates transportation network companies.

The Commission had not supported this bill, which has the Commission regulate transportation network companies and is known and cited as the "Transportation Network Company Safety and Regulatory Act." A transportation network company (TNC) is defined as a corporation, partnership, sole proprietorship, or other entity operating in New Jersey that uses a digital network to connect a TNC rider (rider) to a TNC driver (driver) to provide a prearranged ride. The bill establishes safety and insurance requirements for TNCs that conduct business in New Jersey. Under the bill, a TNC is required to obtain a permit from the New Jersey Motor Vehicle Commission (MVC) upon submission of certain information and the payment of an initial and annual \$25,000 fee. The MVC may revoke a permit if the TNC does not comply with the bill's provisions.

Chapter Law: P.L.2017, c.26

MVC Impact: The Commission will have to create an entirely new unit and hire additional staff to accommodate these responsibilities. Under the bill, MVC is charged with creating and managing a permitting process, communicating with the TNC agents, and possibly investigating consumer complaints.

Recent Action on Bills of Note

S-1585/A-3335 (Rice D28; Ruiz D29 / Sumter D35; Spencer D29; Pintor Marin D29)
Establishes program allowing certain applicants to perform community service in lieu of paying motor vehicle surcharges.

This bill establishes a "Motor Vehicle Surcharge Community Service Program," administered by the Commissioner of Labor and Workforce Development. The program allows a person who is unemployed but has enrolled in an education or job training program to perform community service in lieu of paying motor vehicle surcharges. The bill requires the commissioner to coordinate with the Chief Administrator of the Motor Vehicle Commission (MVC) to waive motor vehicle surcharges imposed on applicants who complete a community service project in participating counties and municipalities.

12/19/2016 - Passed Assembly (Passed Both Houses) (56-20-1).
2/6/2017 - Conditional Veto, Received in the Senate.

S-2175 (Stack D33)
Concerns transport of certain materials by motor vehicle.

This bill prohibits a person from loading or operating a vehicle loaded in a way that may cause the contents, or any part thereof, to be scattered in any street. The bill amends current law to include furniture, mattresses, or other debris other than farm products within the materials required to be securely fastened. The bill also amends current law to require that a load be securely fastened to the vehicle with rope, straps with ratchet fasteners, or any other similar type of safety harness in addition to being covered by a tarpaulin or other cover.

12/19/2016 - Passed by the Senate (36-0).
12/19/2016 - Received in the Assembly, Referred to Assembly Transportation and Independent Authorities Committee.

S-2564 (Weinberg D37; Bucco R25)
Provides that driver's license and identification cards expire every four years on licensee or cardholder's birthday.

Under this bill, a person's driver's license or identification card would expire during the fourth calendar year after the license or identification card was issued and on the person's day of birth. If the person's day of birth does not correspond with a calendar day in the fourth calendar year, the license or identification card is to expire on the last day of the month of the person's birth.

12/19/2016 - Passed by the Senate (37-0).

12/19/2016 - Received in the Assembly without Reference, 2nd Reading.

A-1943 (Coughlin D19; Wisniewski D19; Chiaravalloti D31)

Establishes electronic lien and titling system for New Jersey motor vehicles.

This bill requires the New Jersey Motor Vehicle Commission (MVC) to complete a study to determine whether it has the resources and capability to establish and implement, within 12 months of the bill's effective date, an electronic lien and titling system to process and administer, in a cost-effective manner, the notification, recording, and release of security interests and titling information by the lienholders of motor vehicles in lieu of the current paper-based system.

1/27/2016 - Introduced, Referred to Assembly Transportation and Independent Authorities Committee.

1/19/2017 - Reported and Referred to Assembly Appropriations Committee.

A-3749 (DeAngelo D14; Land D1; Chaparro D33)

Allows "100 percent Disabled Veterans" to receive parking privileges reserved for persons with disability.

This bill permits a military veteran who is designated by the United States Department of Veterans Affairs as a "100 Percent Disabled Veteran" to park a motor vehicle in parking spaces reserved for persons with a disability. Under the bill, military veterans designated as 100 percent disabled are to receive from the Motor Vehicle Commission (MVC) a person with a disability card, hanging placard, and license plates that display a wheel chair insignia.

1/23/2017 - Passed by the Assembly (69-0-0).

1/30/2017 - Received in the Senate, Referred to Senate Military and Veterans' Affairs Committee.

A-4185 (Mukherji D33; Bucco R25; Giblin D34)

Concerns certain business requirements for motor vehicle dealers.

This bill amends R.S.39:10-19 to clarify the requirements for an established place of business of a licensed used motor vehicle dealer and allows a licensed dealer of new and used motor vehicles or a licensed dealer of used motor vehicles (dealer) to temporarily remove from the dealer's premises the forms, papers, and records required by the New Jersey Motor Vehicle Commission (MVC), if the documents were removed for a business purpose, including but not limited to, acquiring a motor vehicle, certificate of origin, certificate of ownership, or title papers by the dealer.

9/19/2016 - Introduced, Referred to Assembly Regulated Professions Committee.

1/12/2017 - Reported out of Assembly Committee, 2nd Reading.

**A-4401/S-2854 (Greenwald D6; Land D1; Andrzejczak D1 / Beach D6; Madden D4)
Authorizes certain benefits for certain family members of military personnel who
died while on active duty.**

This bill authorizes the Chief Administrator of the Motor Vehicle Commission to approve and issue a driver's license and an identification card with a Gold Star Family designation for certain family members of servicemen and servicewomen who lost their lives while on active duty for the United States. A Gold Star Family member is defined as a spouse, domestic partner, partner in a civil union, parent, brother, sister, child, legal guardian, or other legal custodian, whether of the whole or half blood or by adoption.

1/19/2017 - Reported out of Asm. Comm. with Amendments, and Referred to Assembly Appropriations Committee.

1/30/2017 - Reported out of Assembly Comm. with Amendments, 2nd Reading.