

**TOWNSHIP OF CEDAR GROVE
COUNTY OF ESSEX NEW JERSEY**

AGENDA ITEM #4(b)

JUNE 5, 2023

PASSED ORDINANCE # 23-913

AN ORDINANCE AMENDING CHAPTER 162, INSURANCE, BY ADDING ARTICLE II PROOF OF LIABILITY INSURANCE FOR BUSINESS AND RENTAL UNIT OWNERS

WHEREAS, P.L. 2022, c. 92 recently enacted by the New Jersey Legislature and signed by the Governor into law requires the owners of certain Businesses and rental units to maintain certain minimum liability insurance coverages; and

WHEREAS the aforesaid statute requires such owners to annually file certificates of insurance evidencing the required coverages with the municipality in which the Business is located;

NOW, THEREFORE, BE IT ORDAINED by the Township Council of the Township of Cedar Grove, County of Essex, State of New Jersey, as follows:

SECTION 1

That Chapter 162 of the Code of the Township of Cedar Grove entitled “Insurance” shall be amended as follows by adding Article II **Proof Of Liability Insurance For Business And Rental Unit Owners**:

Chapter 162 – Insurance

Article II Proof of Liability Insurance For Business And Rental Unit Owners

SECTION 162-3. BUSINESS AND RENTAL UNIT OWNERS INSURANCE REGISTRATION

It is the purpose of this Article to comply with the requirements imposed upon the Township by P.L. 2022, c. 92, which provides for the annual registration of Certificates of Insurance by Business owners and the owners of rental units located in the Township.

§162-4 Definitions.

The following words and phrases, when used in this Chapter, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

BUSINESS

Shall mean any person offering and/or engaged in buying, selling, storing and/or transferring merchandise, goods, real property, personal property, moneys, services and/or other items who

do so for a fee, price, retainer, commission, percentage and/or other means of compensation for the purpose, stated or otherwise, of realizing a profit or other gain.

CERTIFICATE OF REGISTRATION

Shall mean the certificate issued by the Municipal Clerk indicating compliance with the registration requirements of P.L. 2022, c. 92.

CERTIFICATE OF INSURANCE

Shall mean the certificate of insurance form submitted by each Business.

MUNICIPALITY

Shall mean the Township of Cedar Grove.

§162-5 Insurance Requirements.

- a. As required by the aforesaid statute and except as provided in subsection of this section, the owner of a Business or the owner of a rental unit or units shall maintain liability insurance for negligent acts and omissions in an amount of not less than \$500,000 for combined property damage and bodily injury to or death of one or more persons in any one accident or occurrence.
- b. The owner of a multifamily home which contains four or fewer units, one of which is owner-occupied, shall maintain liability insurance for negligent acts and omissions in an amount of not less than \$300,000 for combined property damage and bodily injury to or death of one or more persons in any one accident or occurrence.

§162-6 Registration Requirements; Certificate of Registration.

The owner of a Business, the owner of a rental unit or units, and the owner of a multi-family home of four or fewer units, one of which is owner occupied, shall register annually by filing a copy of a Certificate of Insurance with the Municipal Clerk, demonstrating compliance with P.L. 2022, c. 92.

- a. The copy of the Certificate of Insurance shall be filed with the Municipal Clerk no later than thirty (30) days after the issuance or renewal of the policy or policies of insurance required to be maintained by said owner.
- b. The Municipal Clerk shall issue a Certificate of Registration to each owner who files a Certificate of Insurance demonstrating compliance with P.L. 2022, c. 92. and the required registration fee. A new Certificate of Registration shall be required annually for each calendar year.

§162-7 Registering Two or More Businesses or Locations.

- a. In the event that two (2) or more Businesses occupy the same location, the owner of each Business shall be required to submit a Certificate of Insurance for each such Business.

- b. In the event that the same owner conducts business at two (2) or more locations within the Municipality, a separate Certificate of Insurance shall be required for each location.

§162-8 Compliance with Applicable Laws and Ordinances.

Issuance of a Certificate of Registration certificate by the Municipal Clerk does not evidence compliance with other applicable rules, regulations, ordinances and statutes of the Municipality, County and State of New Jersey, or other regulatory agencies having jurisdiction over the activities of the certificate holder.

§162-9 Registration Fee.

The registration fee to be paid prior to issuance of each Certificate of Registration by the Municipal Clerk shall be the sum of one hundred dollars (\$100.00) for businesses and rental properties greater than four (4) units. Rental properties 4 units or less the fee is (\$50.00)

§162-10 Failure to Register, Penalties.

Pursuant to N.J.S.A. 40A:10A-2.b., the governing body of the Township of Cedar Grove may collect, through a summary proceeding pursuant to the “Penalty Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.), a fine of not less than \$500 but no more than \$5,000 against an owner who has failed to comply with the provisions of P.L. 2022, c. 92.

SECTION II.

All Ordinances or parts thereof inconsistent with the provisions of this Ordinance be and the same are hereby repealed to the extent of such inconsistencies.

SECTION III.

Should any section, paragraph, clause of any other portion of this Ordinance be adjudged by a Court of competent jurisdiction to be invalid, such judgment shall not affect or impair the remainder of this Ordinance.

SECTION IV.

This Ordinance shall take effect upon its passage and publication according to law.

INTRODUCED: Councilwoman Skabich

SECONDED: Councilman Tanella

ROLL CALL VOTE				
COUNCILMEMBER	YES	NO	ABSTAIN	ABSENT
Mega			X	
Skabich	X			
Tanella	X			
Peterson				X
Maceri	X			