

**ORDINANCE 2023-01**

**AN ORDINANCE OF THE BOROUGH OF CHESTER, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE BOROUGH CODE TO ESTABLISH NEW CHAPTER 183, "BUSINESS INSURANCE REGISTRATION," AS REQUIRED BY STATE LAW**

**WHEREAS**, on August 5, 2022, Governor Murphy signed into law Senate Bill 1368, which mandates that business owners, rental unit owners, and certain multi-family homeowners maintain liability insurance for negligent acts and omissions in amounts set forth in N.J.S.A. 40A:10A-1; and,

**WHEREAS**, Senate Bill 1368 additionally requires such business, rental unit, and certain multifamily homeowners to annually register a Certificate of Insurance with the municipality in which the business, rental unit, or multi-family home is located, in accordance with N.J.S.A.40A:10A-2a, effective November 3, 2022; and,

**WHEREAS**, the Borough of Chester has reviewed the legislation and determined that the Borough Code should be amended to establish a registration program and establish fees and penalties associated with same.

**NOW, THEREFORE BE IT ORDAINED**, by the Mayor and Borough Council of the Borough of Chester, County of Morris, State of New Jersey, as follows:

**SECTION 1.** General Legislation, of the Borough Code, is hereby amended to establish new Chapter 183.54, Business Insurance Registration, to read as follows:

**Chapter 183 BUSINESS INSURANCE REGISTRATION**

**183 Insurance Coverage Required**

- A. The owner of a business or the owner of a rental unit or units, other than a multifamily home as set forth on Chapter 183 below, shall be required to maintain liability insurance for all negligent acts and omissions in an amount of no 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 is four or fewer units, one of which is owner-occupied, shall maintain liability insurance for negligent acts and omissions in

an amount of no less than \$300,000 for combined property damage and bodily injury to or death of one or more persons in any once accident or occurrence.

### **183 ANNUAL REGISTRATION REQUIREMENT**

- A. Any owner of a business or rental unit (s) required to maintain insurance as set forth in this chapter is required to register the certificate of such insurance coverage with the Borough Clerk as follows:
  - 1. Within 30 days of the date this Ordinance takes effect.
  - 2. Within 30 days of the date of establishment of said business or rental unit(s) within the Borough of Chester.
  - 3. On or before January 15 or each year following enactment of this Ordinance.
- B. A new certificate will be required annually for each calendar year. All certificates shall be renewed no later than January 15 of each year. It shall be the responsibility of any owner conducting, operating, or engaging in any business covered by this requirement to apply for a certificate at the office of the Borough Clerk.

### **183 MUNICIPAL INSURANCE REGISTRATION FORM; REQUIRED INFORMATION; ISSUANCE OF CERTIFICATE**

- A. Any business owner, rental unit owner, or owner of a multifamily home that is four or fewer units, some of which is owner occupied, located within the Borough of Chester shall file a completed municipal insurance registration form and certificate of insurance with the Borough Clerk and shall pay the required fee.
- B. The Borough Clerk shall issue a municipal insurance registration certificate to any owner who files a completed municipal; insurance registration form with certificate of insurance demonstrating the required coverage and pays the required fee.
- C. Upon receipt of the requirements of Chapter 183, the municipal insurance registration certificate shall be issued along with a copy of the completed municipal insurance registration form with an acknowledgement by the Borough Clerk that it has been properly filed.

### **183 LICENSING TWO OR MORE BUSINESSES OR LOCATIONS**

- A. In the event that two (2) or more businesses occupy the same location, the owner shall be required to complete a separate municipal insurance registration form and obtain a separate certificate for each business.
- B. In the event that the same owner conducts businesses at two (2) or more locations, a separate business registration form and certificate shall be required for each location.

## **183 CHANGES IN BUSINESS OR LOCATIONS OR OWNERS**

Every owner having a municipal insurance registration certificate for a business or rental unit or multifamily home of four or fewer units, one of which is owner occupied, that ceases to operate, changes the principal activity in which it is engaged, changes its location and/or locations in the municipality, moves out of the municipality or changes owners and/or managers, must submit written notice to the Borough Clerk within thirty (30) days of such change. In the event of cessation of business or moving out of the municipality, the person having the certificate for a business must provide the names, address and home telephone number of the person or principal officer of the business to the Borough Clerk with thirty (30) days of such event.

## **183 COMPLIANCES WITH APPLICABLE LAWS AND ORDINANCES**

Issuance of a municipal insurance registration certificate by the Borough 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.

## **183 REGISTRATION FEE**

The annual fee for registration of the certificate of insurance pursuant to this chapter is as set forth in Chapter 127 of the Borough Code. The fee is due at the time the certificate of insurance is to be registered with the Borough Clerk.

## **183 VIOLATIONS**

If the owner of a business or rental unit(s) subject to the registration requirements of this chapter is found to be in violation of these provisions, a fine or not less than \$500 but no more than \$5,000 may be assessed against the same through a summary proceeding in accordance with the provisions of in N.J.S.A. 2S:58-10 et seq.

**Section 2.** General Legislation, Chapter 127, Fees and Rates, of the Borough Code, is hereby amended with the following language:

Chapter 127 Business Insurance Registration

Registration Fee	\$25
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**Section 3.** If any portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion of this ordinance shall be deemed a separate, distinct, and independent portion, and such holding shall not affect the validity of the remaining portions hereof.

**Section 4.** All Ordinances or parts or ordinances inconsistent herewith are repealed as to such inconsistencies.

**Section 5.** This ordinance shall take effect immediately upon final passage and publication in the manner according to law.

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Dated: March 7, 2023

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Janet Hoven, Mayor

Attest:

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Robin Ghebreah  
RMC, Municipal Clerk

**LEGAL NOTICE OF PENDING ORDINANCE**

Notice is hereby given that the Ordinance published herewith was introduced and passed upon first reading at a meeting of the Mayor and Council of the Borough of Chester, in the County of Morris, New Jersey, held on the 7<sup>th</sup> day of February 2023. It will be further considered for final passage after public hearing thereon, at a meeting of said Mayor and Council to be held in the Chester Borough Hall, 50 North Road, in said Borough, on March 7<sup>th</sup>, 2023 at 7:00 p.m., and during the week prior and up to and including the date of such meeting, copies of said Ordinance will be made available at the Clerk's office in said Borough Hall building to members of the general public who shall request the same.

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Robin Ghebreah  
RMC, Municipal Clerk