

**AN ORDINANCE AUTHORIZING THE REVISION OF THE WEST ORANGE
MUNICIPAL CODE REQUIRING BUSINESSES TO OBTAIN A MERCANTILE
LICENSE AND CERTAIN LIABILITY INSURANCE**

BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE TOWNSHIP OF WEST ORANGE, NEW JERSEY that the Municipal Code of West Orange is supplemented and amended as follows:

I. PURPOSE

The purpose of this ordinance is to establish mercantile licensing for all business owners in the Township as well as require annual licensing fees to business owners and rental unit owners as well as provide compliance with N.J.S.A. 40A:10A-1 *et. seq.*, signed on August 5, 2022 and effective as of November 3, 2022.

II. THE WEST ORANGE MUNICIPAL CODE IS HEREBY AMENDED TO INCLUDE “CHAPTER 33: MERCANTILE LICENSING AND LIABILITY INSURANCE REQUIREMENTS” TO INCORPORATE THE FOLLOWING:

33-1.1 Definitions:

As used in this section:

BUSINESS

Any activity offering goods, services or a combination thereof for the sale or rent.

LICENSEE

Shall mean any individual or entity who, or which, owns or leases, and/or operates, a Business within the Township and has complied with the provisions of this Chapter in obtaining a Mercantile License.

33-1.2: Purpose

The purpose of this Chapter shall be to establish a Mercantile Licensing Registry require Mercantile Licensing to be obtained by all Business owners, and comply with N.J.S.A. 40A:10A-1 et. seq., requiring business owners and rental unit owners to obtain certain levels of liability insurance.

33-1.3: Construction of Chapter

This chapter shall not be construed to repeal or amend any other Section or Chapter of the Municipal Code requiring specific business owners to maintain certain levels of liability insurance.

To the extent that this Chapter requires liability insurance in an amount less than other Chapters of the West Orange Municipal Code, the Section or Chapter of the West Orange Municipal Code requiring the greater amount of liability insurance will govern.

33-3: Application

Application for a license to conduct a business shall be made to the Township's Licensing Registry. Upon application and the payment of the fee prescribed herein, a license shall be issued, which license shall bear the name of the person to whom it is issued, the nature of the business licensed, and the location at which the business is to be carried on.

33-4: License Required

No person shall engage in or carry on any business in the Township, nor encourage and assist in carry on of any business, unless a license as hereinafter provided for shall have been first obtained.

33-5: Term of the License

All mercantile licenses under this chapter shall be due and payable on October 1 of each year and shall terminate and become invalid on September 30 of the next succeeding year.

33-6: Annual Fees for Mercantile Licenses

All Licensees are required to pay an annual fee, to be paid to the Township's Licensing Registry for conducting the business of selling goods, services or a combination thereof. The amount may be set or amended from time-to-time adoption of a specific resolution by the council.

33-7: Posting Licenses

Licenses issued under this Chapter shall be posted at the place of business shown on the license in a conspicuous place. The license shall remain posed for the duration of the licensing year when issued, and so long as the licensed business is carried out.

33-8: Location Restriction

No Business shall be permitted on the location other than that for which the license is issued.

33-11: Enforcement by the Zoning Official

The proper enforcement provisions of this Chapter and related ordinances dealing with the regulation of Businesses shall be a proper concern of the Director of Planning and Development, Zoning Official of the Township, and any other designees.

33-9.1: Liability Insurance Requirements

All Businesses and Licensees as defined under this Chapter are required to submit to the Township's Licensing Registry a certificate of insurance, pursuant to N.J.S.A. 40A:10A-1 *et seq.* under the following requirements:

a. Except as provided in subsection b. 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 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 person sin any one accident or occurrence.

33-9.2: Enforcement of Liability Insurance Requirements

The Licensing Registry may collect, through summary proceeding pursuant to “Penalty Enforcement Law of 1999,” P.L/ 199, c. 274 (C. 2A:58-10 et seq.), a fine of \$2,000 against an owner who failed to comply with Section 9.1 of this Chapter.

III. SEVERABILITY

If any part of this Ordinance shall be deemed invalid, such parts shall be severed and the invalidity thereof shall not affect the remaining parts of this Ordinance.

IV. EFFECTIVE DATE

This Ordinance shall take effect upon final passage and publication in accordance with the law.

Tammy Williams
Council President

Karen J. Carnevale, R.M.C.
Municipal Clerk

Susan McCartney
Mayor

Introduced: June 13, 2023

Adopted: June 27, 2023

Approved as to form on the basis of the facts provided:

Legislative History

This Ordinance is adopted pursuant to the requirements of N.J.S.A. 40A:10A-1 *et seq.* which requires a business owner or rental unit owner to carry certain amounts of liability insurance coverage. This Ordinance authorizes the Township to require the issuance of mercantile licenses and enforce penalties for failure of businesses to obtain the same. Additionally, this Ordinance requires business owners to obtain liability insurance in accordance with N.J.S.A. 40A:10-1 *et seq.*