

Title 40A.
Chapter 10A.
(New)
Municipal
Insurance
Registration -
Certain Properties
§§1,2
C.40A:10A-1
and 40A:10A-2
§3
Note

P.L. 2022, CHAPTER 92, *approved August 5, 2022*
Senate, No. 1368 (*Second Reprint*)

1 AN ACT requiring liability insurance for business owners and rental
2 unit owners and supplementing Title ²[17 of the Revised
3 Statutes] 40A of the New Jersey Statutes².
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. a. Except as provided in subsection b. of this section, the
9 owner of a business or the owner of a rental unit or units shall
10 maintain liability insurance for negligent acts and omissions in an
11 amount of no less than \$500,000 for combined property damage and
12 bodily injury to or death of one or more persons in any one accident
13 or occurrence.

14 b. The owner of a multifamily home which is four or fewer
15 units, one of which is owner-occupied, shall maintain liability
16 insurance for negligent acts and omissions in an amount of no less
17 than \$300,000 for combined property damage and bodily injury to
18 or death of one or more persons in any one accident or occurrence.
19

20 ¹[2. This act shall take effect on the 90th day next following
21 enactment and shall apply to policies issued or renewed on or after
22 the effective date of this act.]¹
23

24 ¹2. a. The owner of a business, owner of a rental unit or units,
25 and the owner of a multi-family home of four or fewer units, one of
26 which is owner occupied, shall annually register the certificate of
27 insurance demonstrating compliance with section 1 of this act ²[, on
28 an Internet website maintained by the Division of Local
29 Government Services in the Department of Community
30 Affairs. The Division of Local Government Services shall maintain
31 the Internet website for the purposes of data entry, and to provide
32 access to relevant data on insurance coverage to each municipality

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined **thus** is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted March 24, 2022.

²Assembly AFI committee amendments adopted June 23, 2022.

1 in the State for properties in the specific municipality] with the
2 municipality in which the business, rental units, or multi-family
3 home is located².

4 b. The governing body of a municipality may, by ordinance,
5 ²[elect to enforce the] establish a reasonable administrative fee for
6 the certificate of² registration ²[requirements established] required²
7 pursuant to subsection a. of this section for properties located in
8 that municipality. ²[If the] The² governing body of a municipality
9 ²[elects to enforce the registration provisions of this section, then
10 the municipality]² may collect, through a summary proceeding
11 pursuant to the “Penalty Enforcement Law of 1999,” P.L.1999,
12 c.274 (C.2A:58-10 et seq.), a fine of not less than \$500 but no more
13 than \$5,000 against an owner who failed to comply with the
14 provisions of this act.

15 ²[c. If a governing body of a municipality, by ordinance, elects
16 not to enforce the registration requirements established pursuant to
17 subsection a. of this section, the Division of Local Government
18 Services shall enforce the provisions of this act and shall collect,
19 through a summary proceeding pursuant to the “Penalty
20 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.), a
21 fine of not less than \$500 but no more than \$5,000 against an owner
22 who failed to comply with the provisions of this act.¹]²

23
24 ¹3. a. The provisions of subsection a. of section 1 of this act
25 shall take effect on the 90th day next following enactment for all
26 new policies issued on or after the 90th day following enactment
27 and shall take effect on the 180th day next following enactment for
28 all policies in force on the date of enactment that are renewed on or
29 after the 180th day following enactment.

30 b. The provisions of subsection b. of section 1 of this act shall
31 take effect on the 180th day next following enactment and shall
32 apply to policies issued or renewed on or after the 180th day
33 following enactment.

34 c. The provisions of section 2 of this act shall take effect on the
35 90th day next following enactment.¹

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40 Requires business owners and rental unit owners to maintain
41 certain liability insurance policies.