

[First Reprint]
SENATE, No. 1368

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED FEBRUARY 3, 2022

Sponsored by:
Senator NICHOLAS P. SCUTARI
District 22 (Middlesex, Somerset and Union)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As amended by the Senate on March 24, 2022.



1 AN ACT requiring liability insurance for business owners and rental
2 unit owners and supplementing Title 17 of the Revised Statutes.

3

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

6

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

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

18

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

22

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

33 b. The governing body of a municipality may, by ordinance,
34 elect to enforce the registration requirements established pursuant to
35 subsection a. of this section for properties located in that
36 municipality. If the governing body of a municipality elects to
37 enforce the registration provisions of this section, then the
38 municipality may collect, through a summary proceeding pursuant
39 to the “Penalty Enforcement Law of 1999,” P.L.1999, c.274
40 (C.2A:58-10 et seq.), a fine of not less than \$500 but no more than
41 \$5,000 against an owner who failed to comply with the provisions
42 of this act.

43 c. If a governing body of a municipality, by ordinance, elects
44 not to enforce the registration requirements established pursuant to

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.

1 subsection a. of this section, the Division of Local Government
2 Services shall enforce the provisions of this act and shall collect,
3 through a summary proceeding pursuant to the “Penalty
4 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.), a
5 fine of not less than \$500 but no more than \$5,000 against an owner
6 who failed to comply with the provisions of this act.¹

7
8 ¹3. a. The provisions of subsection a. of section 1 of this act
9 shall take effect on the 90th day next following enactment for all
10 new policies issued on or after the 90th day following enactment
11 and shall take effect on the 180th day next following enactment for
12 all policies in force on the date of enactment that are renewed on or
13 after the 180th day following enactment.

14 b. The provisions of subsection b. of section 1 of this act shall
15 take effect on the 180th day next following enactment and shall
16 apply to policies issued or renewed on or after the 180th day
17 following enactment.

18 c. The provisions of section 2 of this act shall take effect on the
19 90th day next following enactment.¹