

ADOPTED ORDINANCE

CITY OF RAHWAY, NEW JERSEY

No. O-01-24

AN ORDINANCE AMENDING & SUPPLEMENTING CHAPTER 163 OF THE CODE OF THE CITY OF RAHWAY ESTABLISHING A FEE FOR FILING OF ANNUAL REGISTRATION OF CERTIFICATE OF INSURANCE FOR BUSINESSES AND RENTAL UNITS AND MULTIFAMILY HOMES WITH FOUR OR FEWER UNITS WITHIN THE CITY OF RAHWAY PURSUANT TO N.J.S.A. 40A:10A-2

WHEREAS, N.J.S.A. 40A:10A-2 (L.2022, c. 92, § 2), was signed into law on November 3, 2022; and

WHEREAS, N.J.S.A. 40A:10A-2(b) (L.2022, c. 92, § 2(b)) confers on the City of Rahway (the "City") the power and authority to establish a fee for the filing of the annual registration of a certificate of insurance for businesses, rental units and multifamily homes with four or fewer units, one of which is owner occupied, as required by N.J.S.A. 40A:10A-2(a) (L.2022, c. 92, § 2(a)); and

WHEREAS, the Municipal Council of the City desires to adopt an ordinance in accord with the provisions of N.J.S.A. 40A:10A-2(b) (L.2022, c. 92, § 2(b)) and serve the best interests of the City and its residents.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Rahway, Union County, New Jersey, as follows:

Section 1. Chapter 163-1 through 163-4 are hereby repealed and replaced with the following:

Article I Business Insurance

§ 163-1. Liability insurance, negligent acts, omission; business owners, rental unit, units owner.

- A. 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 once 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 no 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.

§ 163-2 Fee for the Filing of the Annual Registration of a Certificate of Insurance.

- A. The City hereby establishes as its reasonable administrative fee for the filing with the City Clerk the annual registration of the certificate of insurance required by subsection

(a) of N.J.S.A. 40A:10A-2 for businesses and rental units and multifamily homes with four or fewer units, one of which is owner occupied, the sum of \$50.00 for a paper application, which shall be due and payable to the City on the date on which such certificate of insurance is due for filing and registration. There shall be no charge to file the annual registration electronically through the City's website or similar manner deemed sufficient by the City Clerk.

B. The City 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 \$500.00 but no more than \$5,000.00 against an owner who failed to comply with the provisions of N.J.S.A. 40A:10A-2.


Section 2. Inconsistency. All ordinances or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 3. Severability. If any clause, sentence, section or other portion of this ordinance, or the application thereof to any person or circumstance, shall be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair or repeal the remainder of this ordinance.

Section 4. Effective Date. This ordinance shall take effect twenty (20) days following passage and publication as required by law.

MOTION: Parson **SECOND:** Entire Council
YES: Brooks, Gibilisco Miles, Mojica, Newbury,
Parker, Timmons, Parson
NO: None
ABSTAIN: None
ABSENT: Brown

INTRODUCTION: January 8, 2024
ADOPTION: February 12, 2024



Vannie D. Parson, Council President



APPROVAL Raymond A. Giacobbe, Mayor



ATTEST Jeffrey J. Jotz, City Clerk