

# ESTABLISHING BUSINESS INSURANCE REGISTRATION

## Ordinance 2022-009

**WHEREAS**, Governor Murphy signed P.L. 2022, c.92. on August 5, 2022 which requires business owners and rental unit owners to maintain certain liability insurance policies and to register the compliant certificate of insurance with the municipality annually in which the business or rental units are located; and

**NOW, THEREFORE, BE IT ORDANINED**, by the Borough Council of the Borough of South Bound Brook, in the County of Somerset and State of New Jersey, as follows:

**SECTION 1**, Section §§§§ of the Code of the Borough of South Bound Brook, entitled "Business Insurance Registration", is added as follows:

### SECTION 4-10.1 GENERAL LICENSING

Section 4-10.1 Business insurance registration required. It is unlawful for any owner of a business, owner of a rental unit or units, or the owner of a multi-family home of four or fewer units, one of which owner occupied, to operate within the Borough without first registering its certificate of insurance demonstrating compliance with Section 1 of P.L. 2022, c. 92 and paying the registration fee required herein.

Section 4-10.2 Entitles covered by this Chapter. The following entities are required to register their certificate of insurance under this Chapter;

- a. Businesses, which shall mean, any person intending to sell or dispose of or to offer to sell or dispose of any goods, wares, merchandise or render any services for fees within the Borough. This shall include businesses operating on a temporary basis within the Borough such as peddlers, solicitors, and transient vendors licensed and temporary retail food establishments and mobile food units.
- b. Owners of single rental dwelling units.
- c. Owners of multiple dwelling rental units.
- d. Owners of multi-family homes that include rental units, even where one unit is owner-occupied.

Section 4-10.3. Registration official. The clerk shall accept, approve, and file registration applications, and collect registration fees hereunder.

Section 4-10.4. Registration Fees; Expiration; Renewal. The registration fees of this chapter shall be \$15.00 annually. Registration shall expire on December 31 of each year. Renewals must be submitted by December 1 of each year. After the effective date of this Section, entities covered under this Section shall be required to register by December 1, 2022 and such registration shall be valid for the 2023 calendar year.

Section 4-10.5. Application and insurance requirements.

An application for a business insurance registration shall be accompanied by the required fee and shall be made to the Borough Clerk upon forms provided by the Clerk. It shall contain the following information:

- a. Name and address of the applicant. If the applicant is a corporation, the name and address of its registered agent.
- b. The address of the rental dwelling units or business as applicable. If the registration applies to a transient business or a mobile food unit, a general description of the time frame for operation and area where the business will be operated.
- c. A description of the nature of the business and the goods, property or services to be sold or supplied.
- d. A certificate of insurance reflecting the following amounts of insurance in compliance with P.L. 2022, c. 92.
  - i. Except as provided in subsection ii. 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.
  - ii. 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 one accident or occurrence.

Section 4-10.6. Violations and penalties

Any person who violates the terms of this Chapter shall pay the license fee plus a fine of not less than \$500.00 but no more than \$5,000.00 plus court costs.

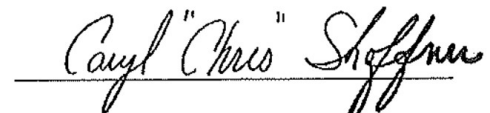
**SECTION 2.** All ordinances or parts of ordinances in conflict or inconsistent with any part of this Ordinance are hereby repealed to the extent that they are in conflict or inconsistent.

**SECTION 3.** If any section, provision, or part of provision of this Ordinance shall be held to be unenforceable or invalid by any court, such holding shall not affect the validity of this Ordinance, or any part thereof, other than the part so held unenforceable or invalid.

**SECTION 4.** This Ordinance shall take effect after passage and publication in the manner provided by law.



Christina Fischer, Borough Clerk



Caryl "Chris" Shoffner, Mayor

BOROUGH OF SOUTH BOUND BROOK  
IN THE COUNTY OF SOMERSET, NEW JERSEY  
Ordinance 2022-009  
Notice of Pending Ordinance and Summary

The borough ordinance, the summary terms of which are included herein, was introduced and passed upon first reading at a meeting of the Borough Council of the Borough of South Bound Brook in the County of Somerset, State of New Jersey, held on November 1, 2022. It will be further considered for final passage, after public hearing thereon, at a meeting of the Borough Council of the Borough of South Bound Brook, to be held at Borough Hall (Trailer) 12 Main Street, South Bound Brook, NJ 08880 on December 13, 2022 at 7:00 p.m. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the Borough Clerk's office for the members of the general public who shall request the same. The title and summary of the terms of such ordinance follows:

Title:

“AN ORDINANCE REQUIRING BUSINESS OWNERS AND RENTAL UNIT OWNERS TO MAINTAIN CERTAIN LIABILITY INSURANCE POLICIES AND TO REGISTER THE COMPLIANT CERTIFICATE OF INSURANCE WITH THE MUNICIPALITY ANNUALLY IN WHICH THE BUSINESS OR RENTAL UNITS ARE LOCATED”

Christina Fischer, Borough Clerk-Administrator  
Borough of South Bound Brook, in the County of Somerset, New Jersey