

CRANBURY TOWNSHIP ORDINANCE 02-23-03

**AN ORDINANCE ADDING CHAPTER 105 OF THE TOWNSHIP OF CRANBURY
CODE CREATING LIABILITY INSURANCE REQUIREMENTS AND FORMING AN
INSURANCE REGISTRY FOR BUSINESS AND RENTAL UNIT OWNERS PURSUANT
TO P.L. 2022, c.92.**

WHEREAS, Governor Murphy signed Senate Bill 1368 into law on August 5, 2022, adopted as P.L. 2022, c.92; and

WHEREAS, P.L. 2022, c.92 requires business owners and rental unit owners to maintain \$500,000 of liability insurance, and owner-occupied multi-family dwellings with four units or less to maintain \$300,000 of liability insurance; and

WHEREAS, municipalities must establish business insurance registries for those required to maintain liability insurance minimums under P.L. 2022, c.92; and

WHEREAS, business and rental unit owners must provide municipalities a certificate of insurance to establish annual compliance with P.L. 2022, c.92; and

WHEREAS, municipalities may charge an administrative fee for the provision of a certificate of registration with the business registry; and

WHEREAS, municipalities may impose a fine for an owner's failure to maintain the necessary coverage or failure to provide a certificate of insurance; and

WHEREAS, the Township Committee of the Township of Cranbury believes it to be in the Township's best interest to adopt an ordinance in conformance with, and required by, P.L. 2022, c.92.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED, by the Township Committee of the Township of Cranbury, County of Middlesex, State of New Jersey that the Code of the Township of Cranbury is hereby supplemented to add Chapter 105, entitled "Business Insurance Requirements and Registry":

ARTICLE I.

Chapter 105: BUSINESS INSURANCE REQUIREMENTS AND REGISTRY.

105-1 Purpose.

This section implements the provisions of P.L. 2022, c.92, requiring business owners, owners of rental units, and owners of owner-occupied multi-family units to maintain certain liability insurance minimums, and requiring the creation of a municipal business insurance registry.

105-2 Business Insurance Required.

- a. Except as provided in Subsection 105-2(b), business owners or owners of rental units located in the Township of Cranbury must maintain liability insurance for negligent acts and omissions, at a policy minimum of \$500,000 for combined property damage and bodily injury to or death of one of more persons in any one accident or occurrence.
- b. Owners of multi-family dwellings located in the Township of Cranbury, with four or fewer units, of which one unit is owner-occupied, must maintain liability insurance for negligent acts and omissions, at a policy minimum of \$300,000 for combined property damage and bodily injury to or death of one of more persons in any one accident or occurrence.

105-3 Business Insurance Registry.

Owners subject to the minimum liability insurance requirements provided in this Chapter must annually register a certificate of insurance issued by the owner's insurance company to demonstrate compliance with Subsection 105-2.

To complete annual registration, the owner must file the following documents with the Township Clerk or the Clerk's designee:

- a. A valid certificate of insurance supplied by the insurance company that issued the policy;
- b. Business name, if applicable;
- c. Name of business owner or property owner;
- d. Address of business or property;
- e. Date of issuance and expiration of insurance policy;
- f. Contact information for business or property owner; and
- g. \$20 administrative fee.

105-4 Certification of Registration.

Upon satisfaction of the registration requirements in Subsection 105-3, the Township Clerk or the Clerk's designee shall issue a certificate of registration to the owner. This certificate of registration shall act as proof of compliance with this Chapter. A certificate of registration shall be valid for the calendar year expiring December 31st of each licensed year.

105-5 Fine for Noncompliance.

If an owner fails to maintain the required level of insurance or fails to file annual registration, the Township may impose a fine against the owner of not less than \$500 but no more than \$5,000 by way of summary proceeding pursuant to N.J.S.A. 2A:58-10.

ARTICLE II. REPEALER, SEVERABILITY AND EFFECTIVE DATE.

- A. Repealer. Any and all Ordinances inconsistent with the terms of this Ordinance are hereby repealed to the extent of any such inconsistencies.
- B. Severability. In the event that any clause, section, paragraph or sentence of this Ordinance is deemed to be invalid or unenforceable for any reason, then the Township Committee hereby declares its intent that the balance of the Ordinance not affected by said invalidity shall remain in full force and effect to the extent that it allows the Township to meet the goals of the Ordinance.
- C. Effective Date. This Ordinance shall take effect upon proper passage in accordance with the law. All owners subject to Subsection 105-2 must comply with this Ordinance in accordance to the deadlines provided in P.L. 2022, c.92.

The ordinance published herewith was introduced and passed upon first reading at a meeting of the governing body of the Township of Cranbury, in the County of Middlesex, State of New Jersey held on February 13, 2023. It will be further considered for final passage, after a public hearing thereon, at a meeting of the governing body to be held in the meeting room of Town Hall, 23-A North Main Street, in the Township of Cranbury on February 27, 2023 at 7:00 P.M. and during the week prior to and up to and including the date of such meeting, copies of said ordinance will be made available at the Clerk's Office to the members of the general public who shall request the same.

Debra A Rubin, RMC
Municipal Clerk