

BOROUGH OF MENDHAM
MORRIS COUNTY, NEW JERSEY

ORDINANCE #10-2022

AN ORDINANCE OF THE BOROUGH OF MENDHAM, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE BOROUGH CODE TO ESTABLISH NEW CHAPTER 69.1, "BUSINESS INSURANCE REGISTRATION," AS REQUIRED BY STATE LAW

WHEREAS, on August 5, 2022, Governor Murphy signed into law Senate Bill 1368, which mandates that business owners, rental unit owners, and certain multi-family homeowners maintain liability insurance for negligent acts and omissions in amounts set forth in N.J.S.A. 40A:10A-1; and

WHEREAS, Senate Bill 1368 additionally requires such business, rental unit and certain multi-family home owners to annually register a Certificate of Insurance with the municipality in which the business, rental unit, or multi-family home is located, in accordance with N.J.S.A. 40A:10A-2a, effective November 3, 2022; and

WHEREAS, N.J.S.A. 40A:10A-2b authorizes municipalities to, by ordinance, establish a reasonable administrative fee for administration of the registration program, and to enforce penalties pursuant to N.J.S.A. 2A:58-10 et seq. for failure to comply with the registration requirements; and

WHEREAS, the Borough of Mendham has reviewed the legislation and determined that the Borough Code should be amended to establish a registration program and establish fees and penalties associated with same.

NOW, THEREFORE BE IT ORDAINED, by the Mayor and Borough Council of the Borough of Mendham, County of Morris, State of New Jersey, as follows:

SECTION 1. Part II, General Legislation, of the Borough Code, is hereby amended to establish new Chapter 69.1, Business Insurance Registration, to read as follows:

Chapter 69.1 Business Insurance Registration

§ 69.11 Insurance Coverage Required.

- A. The owner of a business or the owner of a rental unit or units, other than a multifamily home as set forth in § 69.11B below, shall be required to maintain liability insurance for all 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.

- 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 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.

§ 69.12 Annual Registration Requirement.

- A. Any owner of a business or rental unit(s) required to maintain insurance as set forth in this Chapter is required to register the certificate of such insurance coverage with the Borough Clerk as follows:
 - (1) Within 30 days of the date this Ordinance takes effect.
 - (2) Within 30 days of the date of establishment of said business or rental unit(s) within the Borough of Mendham.
 - (3) On or before January 15 or each year following enactment of this Ordinance.
- B. A new certificate will be required annually for each calendar year. All certificates shall be renewed no later than January 15 of each year. It shall be the responsibility of any owner conducting, operating or engaging in any business covered by this requirement to apply for a certificate at the Office of the Borough Clerk.

§ 69.13 Municipal Insurance Registration Form; Required Information; Issuance of Certificate

- A. Any business owner, rental unit owner, or owner of a multifamily home that is four or fewer units, one of which is owner occupied, located within the Borough of Mendham shall file a completed municipal insurance registration form and certificate of insurance with the Borough Clerk and shall pay the required fee.
- B. The Borough Clerk shall issue a municipal insurance registration certificate to any owner who files a completed municipal insurance registration form with certificate of insurance demonstrating the required coverage and pays the required fee.
- C. Upon receipt of the requirements of § 69.14C, the municipal insurance registration certificate shall be issued along with a copy of the completed municipal insurance registration form with an acknowledgment by the Borough Clerk that it has been properly filed.

§ 69.14 Licensing Two or More Businesses or Locations.

- A. In the event that two (2) or more businesses occupy the same location, the owner shall be required to complete a separate municipal insurance registration form and obtain a separate certificate for each such business.

SECTION 3. If any portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent portion, and such holding shall not affect the validity of the remaining portions hereof.

SECTION 4. All ordinances or parts of ordinances inconsistent herewith are repealed as to such inconsistencies.

SECTION 5. This Ordinance shall take effect immediately upon final passage and publication in the manner according to law.

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Introduced:	October 24, 2022
Tabled:	October 24, 2022
Second Introduction:	November 28, 2022
Public Hearing:	December 14, 2022
Adopted:	December 14, 2022