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REPORTS: No

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end

Title 40A.
Chapter 10A.
(New)
Municipal
Insurance
Registration -
Certain Properties
§§1,2
C.40A:10A-1
and 40A:10A-2
§3
Note

P.L. 2022, CHAPTER 92, *approved August 5, 2022*
Senate, No. 1368 (*Second Reprint*)

1 AN ACT requiring liability insurance for business owners and rental
2 unit owners and supplementing Title ²[17 of the Revised
3 Statutes] 40A of the New Jersey Statutes².
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

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

14 b. The owner of a multifamily home which is four or fewer
15 units, one of which is owner-occupied, shall maintain liability
16 insurance for negligent acts and omissions in an amount of no less
17 than \$300,000 for combined property damage and bodily injury to
18 or death of one or more persons in any one accident or occurrence.
19

20 ¹[2. This act shall take effect on the 90th day next following
21 enactment and shall apply to policies issued or renewed on or after
22 the effective date of this act.]¹
23

24 ¹2. a. The owner of a business, owner of a rental unit or units,
25 and the owner of a multi-family home of four or fewer units, one of
26 which is owner occupied, shall annually register the certificate of
27 insurance demonstrating compliance with section 1 of this act ²[, on
28 an Internet website maintained by the Division of Local
29 Government Services in the Department of Community
30 Affairs. The Division of Local Government Services shall maintain
31 the Internet website for the purposes of data entry, and to provide
32 access to relevant data on insurance coverage to each municipality

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.

²Assembly AFI committee amendments adopted June 23, 2022.

1 in the State for properties in the specific municipality] with the
2 municipality in which the business, rental units, or multi-family
3 home is located².

4 b. The governing body of a municipality may, by ordinance,
5 ²[elect to enforce the] establish a reasonable administrative fee for
6 the certificate of² registration ²[requirements established] required²
7 pursuant to subsection a. of this section for properties located in
8 that municipality. ²[If the] The² governing body of a municipality
9 ²[elects to enforce the registration provisions of this section, then
10 the municipality]² may collect, through a summary proceeding
11 pursuant to the “Penalty Enforcement Law of 1999,” P.L.1999,
12 c.274 (C.2A:58-10 et seq.), a fine of not less than \$500 but no more
13 than \$5,000 against an owner who failed to comply with the
14 provisions of this act.

15 ²[c. If a governing body of a municipality, by ordinance, elects
16 not to enforce the registration requirements established pursuant to
17 subsection a. of this section, the Division of Local Government
18 Services shall enforce the provisions of this act and shall collect,
19 through a summary proceeding pursuant to the “Penalty
20 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.), a
21 fine of not less than \$500 but no more than \$5,000 against an owner
22 who failed to comply with the provisions of this act.¹]²

23
24 ¹3. a. The provisions of subsection a. of section 1 of this act
25 shall take effect on the 90th day next following enactment for all
26 new policies issued on or after the 90th day following enactment
27 and shall take effect on the 180th day next following enactment for
28 all policies in force on the date of enactment that are renewed on or
29 after the 180th day following enactment.

30 b. The provisions of subsection b. of section 1 of this act shall
31 take effect on the 180th day next following enactment and shall
32 apply to policies issued or renewed on or after the 180th day
33 following enactment.

34 c. The provisions of section 2 of this act shall take effect on the
35 90th day next following enactment.¹

36

37

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39

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

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 introduced.



S1368 SCUTARI

2

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 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.

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23

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STATEMENT

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26 This bill requires the owner of a business or the owner of a rental
27 unit or units to maintain a liability insurance policy, including, but
28 not limited to, commercial general liability insurance, personal
29 liability, or an umbrella insurance policy for negligent acts in an
30 amount of no less than \$500,000 for combined property damage and
31 bodily injury to or death of one or more persons in any one accident
32 or occurrence.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 1368

STATE OF NEW JERSEY

DATED: MARCH 14, 2022

The Senate Commerce Committee reports favorably Senate Bill No. 1368.

This bill requires the owner of a business or the owner of a rental unit or units to maintain a liability insurance policy, including, but not limited to, commercial general liability insurance, personal liability, or an umbrella insurance policy for negligent acts 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.

STATEMENT TO
SENATE, No. 1368

with Senate Floor Amendments
(Proposed by Senator SCUTARI)

ADOPTED: MARCH 24, 2022

This amendment adds a requirement that an owner of a business, of a rental unit or rental units, or of a multi-family home of four or fewer units register the certificate of insurance demonstrating compliance with the coverage amounts required in the bill on an Internet website maintained by the Division of Local Government Services in the Department of Community Affairs. The amendment also updates the effective date of the bill.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 1368

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 23, 2022

The Assembly Financial Institutions and Insurance Committee reports favorably Senate Bill No. 1368 (1R), with committee amendments.

As amended, this bill requires the owner of a business or the owner of a rental unit or units to maintain a liability insurance policy, including, but not limited to, commercial general liability insurance, personal liability, or an umbrella insurance policy for negligent acts 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.

The bill separately requires an owner of a multifamily home which is four or fewer units, one of which is owner-occupied, to 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.

The bill requires the owner of a business, rental unit or units, or multi-family home of four or fewer units, to annually register the certificate of insurance demonstrating compliance with the bill with the municipality in which the business, rental units, or multi-family home is located. In addition, the governing body of a municipality is permitted to establish, by ordinance, a reasonable administrative fee for the certificate of registration required under the bill for properties located in the municipality and allowing municipalities to collect fines of not less than \$500 but no more than \$5,000 against an owner who fails to comply with the provisions of this bill.

As amended and reported, this bill is identical to Assembly Bill No. 2687, as also amended and reported by the committee.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) require the owner of a business, rental unit or units, or multi-family home of four or fewer units, to annually register the certificate of insurance demonstrating compliance with the bill with the

municipality in which the business, rental units, or multi-family home is located;

(2) allow the governing body of a municipality to establish, by ordinance, a reasonable administrative fee for the certificate of registration required under the bill for properties located in the municipality and allowing municipalities to collect fines of not less than \$500 but no more than \$5,000 against an owner who fails to comply with the provisions of the bill; and

(3) make a technical change.

ASSEMBLY, No. 2687

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED FEBRUARY 14, 2022

Sponsored by:
Assemblyman RAJ MUKHERJI
District 33 (Hudson)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



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 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.

22

23

24

STATEMENT

25

26 This bill requires the owner of a business or the owner of a rental
27 unit or units to maintain liability insurance for negligent acts and
28 omissions in an amount of no less than \$500,000 for combined
29 property damage and bodily injury to or death of one or more
30 persons in any one accident or occurrence.

31 The bill separately requires an owner of a multifamily home
32 which is four or fewer units, one of which is owner-occupied, to
33 maintain liability insurance for negligent acts and omissions in an
34 amount of no less than \$300,000 for combined property damage and
35 bodily injury to or death of one or more persons in any one accident
36 or occurrence.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2687

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 23, 2022

The Assembly Financial Institutions and Insurance Committee reports favorably and with committee amendments Assembly Bill No. 2687.

As amended, this bill requires the owner of a business or the owner of a rental unit or units to maintain a liability insurance policy, including, but not limited to, commercial general liability insurance, personal liability, or an umbrella insurance policy for negligent acts 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.

The bill separately requires an owner of a multifamily home which is four or fewer units, one of which is owner-occupied, to 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.

The bill requires the owner of a business, rental unit or units, or multi-family home of four or fewer units, to annually register the certificate of insurance demonstrating compliance with the bill with the municipality in which the business, rental units, or multi-family home is located. In addition, the governing body of a municipality is permitted to establish, by ordinance, a reasonable administrative fee for the certificate of registration required under the bill for properties located in the municipality and allowing municipalities to collect fines of not less than \$500 but no more than \$5,000 against an owner who fails to comply with the provisions of this bill.

As amended and reported, this bill is identical to Senate Bill No. 1368 (1R), as also amended and reported by the committee.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) require the owner of a business, rental unit or units, or multi-family home of four or fewer units, to annually register the certificate of insurance demonstrating compliance with the bill with the

municipality in which the business, rental units, or multi-family home is located;

(2) allow the governing body of a municipality to establish, by ordinance, a reasonable administrative fee for the certificate of registration required under the bill for properties located in the municipality and allowing municipalities to collect fines of not less than \$500 but no more than \$5,000 against an owner who fails to comply with the provisions of the bill;

(3) replace the effective date to allow certain sections of the bill to take effect on either the 90th day next following enactment or the 180th day next following enactment; and

(4) make a technical change.

Governor Murphy Takes Action on Legislation

08/5/2022

TRENTON – Today, Governor Phil Murphy signed the following bills into law:

S-481/A-4291 (Scutari, Bramnick/Greenwald, Conaway, Stanley) - Requires automobile insurance policies to provide certain minimum amounts of liability, uninsured motorist, and underinsured motorist coverage

S-521/A-3661 (Cruz-Perez, Pou/Spearman) - Expressly authorizes medical cannabis patients under 18 years of age to have up to four designated caregivers

S-525/A-280 (Ruiz, Singleton/Umba, Sawyer, Wirths) - Enhances, and allocates funds for, pre-apprenticeship programs

S-1368/A-2687 (Scutari/Mukherji) - Requires business owners and rental unit owners to maintain certain liability insurance policies

S-1535/A-2-861 (Greenstein, Turner/Benson, Verrelli, Reynolds-Jackson, Thomson) - Permits counties to operate airports as county utilities; provides that bonds for county and municipal airport purposes be issued in accordance with provisions of "Local Bond Law."

S-1603/A-3771 (Smith/Mukherji) - Removes restriction on receipt of retirement annuities by certain members of JRS who file for deferred retirement

S-2843/A-4293 (Scutari, Bramnick/Mukherji, Quijano, Wimberly) - Requires certain insurers to disclose policy limits upon request by an attorney under certain circumstances

A-4239/S-2424 (Lopez, Atkins, Moen/Gopal) - Concerns imposition and collection of sales and use tax for fabrication and installation of signs