

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

P.L. 2021, 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 <sup>2</sup>[17 of the Revised  
3 Statutes] 40A of the New Jersey Statutes<sup>2</sup>.  
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 <sup>1</sup>[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.]<sup>1</sup>  
23

24 <sup>1</sup>2. 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 <sup>2</sup>[, 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:

<sup>1</sup>Senate floor amendments adopted March 24, 2022.

<sup>2</sup>Assembly 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 located<sup>2</sup>.

4 b. The governing body of a municipality may, by ordinance,  
5 <sup>2</sup>[elect to enforce the] establish a reasonable administrative fee for  
6 the certificate of<sup>2</sup> registration <sup>2</sup>[requirements established] required<sup>2</sup>  
7 pursuant to subsection a. of this section for properties located in  
8 that municipality. <sup>2</sup>[If the] The<sup>2</sup> governing body of a municipality  
9 <sup>2</sup>[elects to enforce the registration provisions of this section, then  
10 the municipality]<sup>2</sup> 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 <sup>2</sup>[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.<sup>1</sup>]<sup>2</sup>

23  
24 <sup>1</sup>3. 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.<sup>1</sup>

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