

TOWNSHIP OF SOUTHAMPTON

ORDINANCE 2022-12

**AN ORDINANCE SUPPLEMENTING CHAPTER 8 OF THE SOUTHAMPTON CODE
ADDING LIABILITY INSURANCE REQUIREMENTS AND ESTABLISHING AN
INSURANCE REGISTRY FOR BUSINESS AND RENTAL UNITS OWNERS
PURSUANT TO P.L. 2022, c.92**

WHEREAS, on August 5, 2022, Governor Murphy signed Senate Bill 1368 into law 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, pursuant to P.L. 2022, c.92, municipalities must establish business insurance registries for those required to maintain liability insurance minimums; 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 import 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 Southampton 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 Southampton, County of Burlington, State of New Jersey that Chapter 8 of the Code of the Township of Southampton is hereby supplemented to add subsection 10, entitled "Business Insurance Requirements and Registry":

8-10 INSURANCE REQUIREMENTS AND REGISTRY.

8-10.1 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.

8-10.2 Insurance Required.

- a. Except as provided in Subsection 8-10.2(b), business owners or owners of rental units located in the Township of Southampton 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 Southampton, 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.

8-10.3 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 8-10.2.

To complete annual registration, the owner must file 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.

8-10.4 Certification of Registration.

Upon satisfaction of the registration requirements in subsection 8-10.3, the Township Clerk 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 one calendar year from the date of issuance.

8-10.5 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.

SEVERABILITY AND EFFECTIVE DATE.

- A. 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.
- B. Effective Date. This Ordinance shall take effect on November 3, 2022, contingent upon proper passage in accordance with the law. All owners subject to Subsection 8-10.2 must comply with this Ordinance in accordance to the deadlines provided in P.L. 2022, c.92.

ACTION ON INTRODUCTION:

Motion made by: Mikulski
 Motion seconded by: Rafferty

VOTE:

Deputy Mayor Rossell:	<input checked="" type="radio"/> Yes	No	Abstain Not Present
Committeeman Rafferty:	<input checked="" type="radio"/> Yes	No	Abstain Not Present
Committeeman Heston:	<input checked="" type="radio"/> Yes	No	Abstain Not Present
Committeeman Young, Sr.:	<input checked="" type="radio"/> Yes	No	Abstain Not Present
Mayor Mikulski:	<input checked="" type="radio"/> Yes	No	Abstain Not Present

ACTION ON ADOPTION (after public hearing)

Motion made by: Rossell
 Motion seconded by: Heston

VOTE:

Deputy Mayor Rossell:	<input checked="" type="radio"/> Yes	No	Abstain Not Present
Committeeman Rafferty:	<input checked="" type="radio"/> Yes	No	Abstain Not Present
Committeeman Heston:	<input checked="" type="radio"/> Yes	No	Abstain Not Present
Committeeman Young, Sr.:	<input checked="" type="radio"/> Yes	<input checked="" type="radio"/> No	Abstain Not Present
Mayor Mikulski:	<input checked="" type="radio"/> Yes	No	Abstain Not Present

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true copy of the ordinance that was introduced after first reading at a meeting of the Southampton Township Committee held on September 20, 2022 and adopted after a public hearing at a meeting of the Southampton Township Committee held on October 18, 2022.

Kathleen D. Hoffman
 Kathleen D. Hoffman, RMC
 Township Clerk/Administrator