

**BOROUGH OF FREEHOLD
COUNTY OF MONMOUTH**

ORDINANCE #2023/3

**AN ORDINANCE TO AMEND AND SUPPLEMENT TITLE 5 “BUSINESS LICENSES
AND REGULATIONS” OF THE CODE OF THE BOROUGH OF FREEHOLD**

WHEREAS, the Borough of Freehold (the “Borough”) is a public body corporate and politic of the State of New Jersey; and

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 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 Freehold, County of Monmouth, State of New Jersey, as follows:

Section 1

Title 5 “Business Licenses and Regulations” of the Code of the Borough of Freehold shall be amended as follows; additions to the current ordinance are noted in underline.

5.10 Business Insurance Registration

5.10.010 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 5.10.010(B) 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.

5.10.020 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 Freehold.
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.

5.10.030 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 Freehold 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 5.10.040(C), 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.

5.10.040 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.

B. In the event that the same owner conducts businesses at two (2) or more locations, a separate business registration form and certificate shall be required for each location.

5.10.050 Changes in Businesses or Locations or Owners.

Every owner having a municipal insurance registration certificate for a business or rental unit or multifamily home of four or few units, one of which is owner occupied, that ceases to operate, changes the principal activity in which it is engaged, changes its location and/or locations in the municipality, moves out of the municipality or changes owners and/or managers, must submit written notice to the Borough Clerk within thirty (30) days of such change. In the event of cessation of business or moving out of the municipality, the person having a certificate for a business must provide the name, address and home telephone number of the person or principal officer of the business to the Borough Clerk within thirty (30) days of such event.

5.10.060 Compliance with Applicable Laws and Ordinances.

Issuance of a municipal insurance registration certificate by the Borough Clerk does not evidence compliance with other applicable rules, regulations, ordinances and statutes of the municipality, county and State of New Jersey, or other regulatory agencies having jurisdiction over the activities of the certificate holder.

5.10.070 Registration Fee.

The annual fee for registration of the certificate of insurance pursuant to this Chapter is \$50.00, which is payable at the time the certificate of insurance is to be registered with the Borough Clerk.

5.10.080 Violations

If the owner of a business or rental unit(s) subject to the registration requirements of this Chapter is found to be in violation of these provisions, a fine of not less than \$500 but no more than \$5,000 may be assessed.

Section 2

If any part of this Ordinance shall be deemed invalid such part shall be deemed severable and the invalidity thereof shall not affect the remaining part of this Ordinance.

Section 3

Any Ordinance or portions thereof which are inconsistent with the provisions of this Ordinance are hereby repealed and superseded.

Section 4

This Ordinance shall take effect upon final passage and publication in accordance with Law.

Introduced: January 17, 2023

Adopted: February 13, 2023