



# Borough of Montvale

12 DePiero Drive, 2nd Floor  
Montvale NJ 07645

[www.montvale.org](http://www.montvale.org)

Ph: 201-391-5700

Fx: 201-391-9317

## **Re: State-Mandated Business Registration and Insurance Requirements Response Required by January 31, 2023**

Dear Property Owner,

The Borough of Montvale is sending this letter to you as a courtesy to advise all owners of businesses and multi-family properties to a new law that was recently enacted by the New Jersey Legislature, codified at N.J.S.A. 40A:10A-1 and N.J.S.A. 40A:10A-2. Pursuant to this new law, the State mandated that all owners of businesses and multi-family properties maintain certain minimum levels of liability insurance and register annually with the municipality in which they are located, or be subject to a monetary fine.

In accordance with this new law, the Borough enacted Ordinance No. 2022-1527 to implement these new requirements. A copy of the ordinance is enclosed for your reference.

No later than **January 31**, or within 30 days of registering the business or obtaining ownership of the rental units, you are required to:

- Obtain the minimum levels of insurance required by state law and set forth in the ordinance
- Complete the form enclosed and return it to the Borough Clerk, 12 DePiero Drive, Montvale, New Jersey 07645
- Enclose a filing fee of \$50.00

Failure to return this completed form by this deadline may subject you to a monetary penalty, as shown on the form and the attached ordinance.

Please contact the Borough Clerk's Office at (201) 391-5700 if you have any questions. Thank you in advance for your attention and cooperation.

Very truly yours,  
Office of the Municipal Clerk

## BUSINESS AND INSURANCE REGISTRATION FORM

Pursuant to the requirements of N.J.S.A. 40A:10A-1 and N.J.S.A. 40A:10A-2, all owners of businesses and multi-family properties located in the Borough of Montvale must annually file a certificate of insurance with the Borough Clerk's Office. This form must be filed by **January 31** of each calendar year, or within 30 days of registering the business or obtaining ownership of the rental units. Please check the box containing the applicable minimum limits and provide a copy of the certificate of insurance:

- Owners of businesses:

Liability insurance for 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.

- Owners of multi-family properties containing five or more units:

Liability insurance for 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.

- Owners of multi-family properties containing four or fewer units, one of which is owner-occupied:

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.

**An annual registration fee of \$50.00 is required.** If paid by check, kindly make the check payable to the "Borough of Montvale."

By submitting this form and signing below, I acknowledge that failure to file this form and a certificate of insurance that meets the above requirements by the filing deadline shall result in a monetary penalty as follows:

- A. \$500.00 for a first offense
- B. \$1,000.00 for a second offense
- C. \$2,000.00 for a third or subsequent offense

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

Print Name: \_\_\_\_\_

Business: \_\_\_\_\_

**BOROUGH OF MONTVALE  
ORDINANCE NO. 2022-1527**

**NOTICE IS HEREBY GIVEN** that the following Ordinance was introduced and passed on the first reading at the regular meeting of the Mayor and Council on the 10<sup>th</sup> day of November 2022, and that said Ordinance will be taken up for further consideration for final passage at a regular meeting of the Mayor and Council to be held on the 29<sup>th</sup> day of November 2022 at 7:30 pm or as soon thereafter as said matter can be reached, at which time and place all persons who may be interested therein will be given an opportunity to be heard concerning same.

Maureen Iarossi Alwan, Municipal Clerk  
Borough of Montvale

**BOROUGH OF MONTVALE**

**AN ORDINANCE OF THE BOROUGH OF MONTVALE ADDING A NEW CHAPTER 5 TO THE BOROUGH CODE ENTITLED “BUSINESS AND INSURANCE REGISTRY” PURSUANT TO N.J.S.A. 40A:10A-2**

**WHEREAS**, on August 5, 2022, Governor Murphy signed Senate Bill S1368 into law as P.L. 2022, c.92, now codified at N.J.S.A. 40A:10A-2 (the “Law”); and

**WHEREAS**, the Law requires all business owners and rental unit owners to maintain a minimum of \$500,000 of liability insurance, and owner-occupied multi-family dwellings with four units or fewer must maintain a minimum of \$300,000 of liability insurance; and

**WHEREAS**, pursuant to the Law, municipalities are required to establish a business insurance registry for all business and rental unit owners; and

**WHEREAS**, pursuant to the Law, businesses and rental unit owners are required to provide municipalities with a certificate of insurance annually to establish compliance with the Law; and

**WHEREAS**, municipalities are permitted to charge an administrative fee in connection with such registration; and

**WHEREAS**, municipalities are permitted to enforce the provisions of the Law by imposing penalties; and

**WHEREAS**, the Borough of Montvale is desirous of establishing a business and insurance registry as required by the Law.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Council of the Borough of Montvale as follows:

**Section 1.** The Code of the Borough of Montvale is hereby amended and supplemented by adding a new Chapter 5 entitled “Business and Insurance Registry,” as follows:

## **CHAPTER 5 BUSINESS AND INSURANCE REGISTRY**

- §5-1 Purpose**
- §5-2 Insurance required.**
- §5-3 Business insurance registration.**
- §5-4 Certification of registration.**
- §5-5 Penalties.**

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### **§5-1 Purpose**

N.J.S.A. 40A:10A-1, et seq. requires all business owners, owners of rental units, and owners of a multi-family home of four or fewer units, one of which is owner occupied, to maintain certain levels of liability insurance. That law further requires municipalities to establish a registry of all such individuals and entities and to annually collect proof of compliance with the provisions of the law. The purpose of this Chapter is to implement the requirements of the law within the Borough of Montvale.

### **§5-2 Insurance required.**

1. Except as provided in Section 5-2B herein, business owners and owners of rental units located in the Borough of Montvale must maintain liability insurance for negligent acts and omissions in an amount not 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.
2. Owners of multi-family dwellings with four or fewer units, one of which is owner-occupied, must maintain liability insurance for negligent acts and omissions in an amount not 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.

### **§5-3 Business insurance registration.**

Owners of businesses or rental units subject to the minimum liability insurance requirements set forth in this Chapter must annually register with the Borough of Montvale and provide a compliant certificate of insurance issued by the owner's insurance company. To complete the annual registration, the owner must file with the Municipal Clerk a completed registration, along with a copy of the required insurance certificate and an administrative fee of \$50. The registration shall be in such form and shall include such information as is required by the Municipal Clerk. Annual registrations shall be due by January 31 of each calendar year, or within 30 days of registering the business or obtaining ownership of the rental units.

### **§5-4 Certification of registration.**

Upon satisfaction of the registration requirements in Section 5-3 hereof, the Municipal Clerk shall issue a certificate of registration to the owner in a form approved by the Municipal Clerk. This certificate of registration shall act as proof of compliance with this Chapter. A certificate of registration shall be valid for the calendar year in which it is issued.

### **§5-5 Penalties.**

If an owner fails to maintain the required level of insurance, or fails to file an annual registration, the owner shall be subject to penalties of \$500 for a first offense, \$1,000 for a second offense, and \$2,000 for a third or subsequent offense. This penalty may be collected through a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," N.J.S.A. 2A:58-110, et seq. Each year that an owner fails to register or fails to maintain adequate insurance shall be deemed a separate offense.

### **Section 2. Severability.**

If any provision or portion of a provision of this ordinance is held to be unconstitutional, preempted by Federal or State law, or otherwise invalid by any court of competent jurisdiction, the remaining provisions of the ordinance shall not be invalidated and shall remain in full force and effect.

### **Section 3. Effective date.**

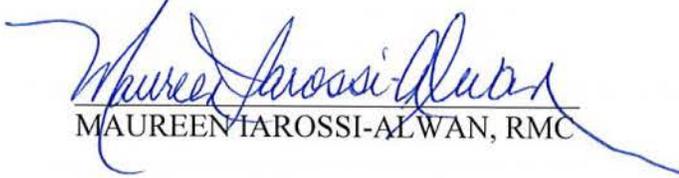
This Ordinance shall take effect immediately upon adoption and publication as required by law.

**Section 4. Repeal of inconsistent ordinances.**

All ordinances and parts of ordinances which are inconsistent with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

  
MICHAEL GHASSALI, Mayor

ATTEST:

  
MAUREEN TAROSSIALWAN, RMC

INTRODUCTION: 11-10-22

Councilmember	Yes	No
Arendacs	✓	
Cudequest	✓	
Koelling	✓	
Lane	✓	
Roche - absent		
Russo-Vogelsang	✓	

ADOPTED: 11-29-2022

Councilmember	Yes	No
Arendacs	✓	
Cudequest	✓	
Koelling	✓	
Lane	✓	
Roche	✓	
Russo-Vogelsang	✓	