

# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 4641

# STATE OF NEW JERSEY

DATED: OCTOBER 1, 2026

The Senate Community and Urban Affairs Committee reports favorably Assembly Bill No. 4641.

As reported, this bill authorizes the governing body of a municipality to enact an ordinance establishing criteria under which the municipality is authorized to notify an insurance company which insures a rental property if there is activity at the rental property that is reasonably observable without entering and inspecting the premises which is suspected to violate the general terms of the rental property insurance policy. Under the bill, the criteria may include, but is not limited to, activity including:

- excessive, ongoing noise violations;
- visible, dangerous overcrowding;
- underage drinking or illegal drug use;
- property destruction or vandalism;
- fighting or violence; and
- reckless behavior endangering neighbors or neighborhood property.

The bill provides that the governing body of a municipality is to designate an official to be responsible for notifying an insurance company, in a time and manner as determined by the governing body, of any reasonably observable behavior which is suspected to violate the general terms of the rental property insurance policy.

The bill also specifies that a municipality is authorized to request from an owner of a rental property a copy of the terms of the rental property insurance policy.

On August 5, 2022, P.L.2022, c.92 was signed into law, requiring 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.

As reported by the committee, Assembly Bill No. 4641 is identical to Senate Bill No. 3703, which was also reported by the committee on this date.