

**TOWNSHIP OF BLAIRSTOWN
COUNTY OF WARREN
STATE OF NEW JERSEY**

ORDINANCE NO. 2019- 08

**AN ORDINANCE TO AMEND PART II “GENERAL LEGISLATION” OF THE
CODE OF THE TOWNSHIP OF BLAIRSTOWN TO ADD A SECTION 108
ENTITLED “FIRE INSURANCE CLAIMS”**

WHEREAS, New Jersey statutes permit municipalities to enact an ordinance preventing insurance companies from issuing payment on claims in excess of certain dollar amounts unless certain requirements have been met; and

WHEREAS, the Township Committee has determined that enactment of such ordinance, pursuant to N.J.S.A. 17:36-9 is in the best interests of the Township; and

NOW THEREFORE BE IT ORDAINED, by the Township Committee of the Township of Blairstown, Warren County, New Jersey, that Part II “General Legislation” of the Township Code shall be amended to add Section 108 entitled “Fire Insurance Claims” as follows:

SECTION 1. Chapter 108 entitled “Fire Insurance Claims” shall be added and read as follows:

§108-1 Title.

This chapter shall be known as the "Township of Blairstown Tax Liens on Fire Damaged Property Ordinance."

§108-2 Purpose.

Pursuant to N.J.S.A. 17:36-9, the Township may, by ordinance, prohibit the payment to a claimant by an insurance company on any claim in excess of \$2,500 for fire damages on any real property located within the municipality prior to satisfaction of certain statutory requirements.

§108-3 Payment of Fire Insurance Claims Restricted.

No insurance company authorized to issue fire insurance policies in the State of New Jersey shall pay to an insured any claim in excess of \$2,500 for fire damages on any real property located within the Township of Blairstown, pursuant to any fire insurance policy issued or renewed after the adoption of this section and the filing of this section with the State Commissioner of Insurance, until such time as:

(1) All taxes and assessments and all other municipal liens or charges due and payable appearing on an official “certificate of search for municipal liens” pursuant to N.J.S.A. 54:5-12, shall have been paid either by the owner of such real property or by the insurance company; or

(2) The Township submits to the insurance company a copy of a resolution adopted pursuant to N.J.S.A. 17:36-11 (installment payments), provided that if an appeal is taken on the amount of any lien or charge, other than an appeal on the

assessed valuation of real property, pursuant to N.J.S.A. 54:3-21, the insurance company shall withhold 75 percent of the full amount of the lien or charge being contested pending termination of all proceedings.

§108-4 Agreement with Owner; Restoration of Property

The Township Committee may, by resolution, enter into an agreement with the owner of any fire damaged property situated in the Township to pay in full all delinquent taxes, assessments or other municipal liens by installments, pursuant to N.J.S.A. 54:5-19, or for the redemption of a tax sale lien by installment payments, pursuant to N.J.S.A. 54:5-7, if the Township Committee is satisfied that the claim for fire damages is to be used to restore or improve the fire damaged property.

In the event of such resolution, a certified copy of the resolution shall be sent to the insurance company authorizing the insurance company to make full payment on the claim to the insured.

§108-5 Mortgagee as Named Insured

Notwithstanding the provision of this Section, an insurance company may pay proceeds of a fire insurance policy to a mortgagee of fire damaged real property where the fire insurance policy, at the time of the loss, listed the mortgagee as a named insured; provided the payment may not be in an amount which exceeds that due and payable to the mortgagee under the mortgage contract.

All other portions of the Code remain unchanged.

SECTION 2. All ordinances or parts of ordinances of the Township of Blirstown inconsistent herewith are repealed to the extent of such inconsistency.

SECTION 3. If any section, subsection, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid by any court or competent jurisdiction, such decision shall not affect the remaining portion of this Ordinance.

SECTION 4. This law shall take effect immediately upon final passage, approval and publication as required by law.

NOTICE IS HEREBY GIVEN THAT THE FOREGOING Ordinance was introduced at a meeting of the Township Committee of the Township of Blirstown, in the County of Warren and State of New Jersey, held on April 10, 2019 and will be further considered for final passage after public hearing thereon at a regular meeting of said Township Committee to be held at the Municipal Building, 106 Route 94 in the Township of Blirstown, New Jersey on May 8, 2019 at 7:30PM

Linda Leidner, Clerk