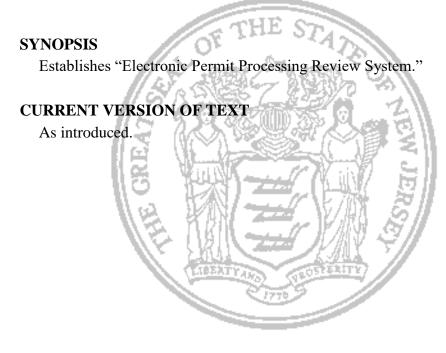
ASSEMBLY, No. 4463 **STATE OF NEW JERSEY** 218th LEGISLATURE

INTRODUCED SEPTEMBER 24, 2018

Sponsored by: Assemblyman ROY FREIMAN District 16 (Hunterdon, Mercer, Middlesex and Somerset) Assemblyman JOSEPH V. EGAN District 17 (Middlesex and Somerset) Assemblyman ROBERT J. KARABINCHAK District 18 (Middlesex) Senator STEVEN V. OROHO District 24 (Morris, Sussex and Warren) Senator BOB ANDRZEJCZAK District 1 (Atlantic, Cape May and Cumberland)

Co-Sponsored by:

Assemblyman DiMaio, Assemblywoman B.DeCroce, Assemblymen Calabrese, Wirths, Space, Danielsen, Assemblywomen Pinkin, DiMaso, Swain, Assemblyman Tully, Senators O'Scanlon, Greenstein and Pennacchio



(Sponsorship Updated As Of: 1/14/2020)

AN ACT establishing a State online electronic building permit review and inspection scheduling system, and supplementing and amending P.L.1975, c.217, and amending P.L.2005, c.212, and P.L.1979, c.121.

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BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

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9 1. (New section) a. The Commissioner of Community Affairs 10 shall establish, develop, implement, and administer the "Electronic Permit Processing Review System." This electronic system shall be 11 12 an Internet-based system allowing for the electronic submission of 13 applications for construction permits, plans, and specifications pursuant to the "State Uniform Construction Code Act," P.L.1975, 14 15 c.217 (C.52:27D-119 et seq.), for the electronic review and approval of applications, plans, and specifications, for the 16 17 scheduling of inspections, and for the exchange of information 18 between the applicant, the applicant's professionals, and the 19 department or enforcing agency during the review process. The 20 electronic system shall offer a permit applicant:

(1) the ability to submit the materials necessary for application
 review;

(2) the ability to submit requests for on-site inspection of aproject; and

(3) continuous, 24-hour accessibility for the submission of both
scheduling requests, and the materials necessary for the permit
application review.

b. (1) Following the effective date of P.L. , c. (C.)
(pending before the Legislature as this bill), the commissioner may
make the electronic system accessible, and facilitate its use, through
the acceptance of application materials and scheduling submissions,
by:

(a) the department, with regard to applications for which the
department approves plans and specifications pursuant to the "State
Uniform Construction Code Act";

36 (b) local enforcing agencies; and

37 (c) private agencies providing plan review and inspection38 services.

39 (2) Within one year following the effective date of P.L. ,
40 c. (C.) (pending before the Legislature as this bill), the
41 commissioner shall fully implement the electronic system, and

41 commissioner shall fully implement the electronic system, and
 42 require its use, through the acceptance of application materials and
 43 scheduling submissions, by:

(a) the department, with regard to applications for which the
department approves plans and specifications pursuant to the "State
Uniform Construction Code Act";

EXPLANATION – Matter enclosed in **bold-faced** brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

1 (b) local enforcing agencies; and

2 (c) private agencies providing plan review and inspection3 services.

c. The commissioner shall provide training opportunities on the
use of the electronic system for employees of local enforcing
agencies and private agencies which provide plan review and
inspection services.

8 d. The commissioner shall, in accordance with the 9 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 10 seq.), adopt rules and regulations to govern the form and format of 11 applications for construction permits, plans, and specifications and 12 other information exchanged through the electronic system. 13 Notwithstanding the requirement, pursuant to subsection b. of this 14 section, to accept electronically submitted materials within one year 15 following the effective date of P.L. , c. (C.) (pending 16 before the Legislature as this bill), the commissioner shall have the 17 discretion to establish different submission requirements, including 18 non-electronic submissions as necessary, for large, complicated, or 19 otherwise unusual construction projects, so long as the system is 20 designed to accept approximately 80 percent of construction permit 21 application submissions electronically.

22 The department may waive a contrary form and format e. 23 requirement imposed by statute or ordinance or by the rules of 24 another department or agency for the submission of information in 25 physical form to the extent the waiver is necessary to facilitate the 26 submission of the information electronically. The department may 27 accept an electronic reproduction of a signature, stamp, seal, 28 certification, or notarization as the equivalent of the original or may 29 accept the substitution of identifying information for the signature, 30 stamp, seal, certification, or notarization. The department shall not 31 waive any other requirement.

f. The commissioner may adopt, amend, and repeal rules and regulations providing for the charging of and setting the amount of construction permit surcharge fees to be collected by an enforcing agency or private agency and remitted to the department to defray the cost of developing and administering the electronic system.

37 g. A person exchanging information through the electronic 38 system in a form and format acceptable to the department is not 39 subject to any licensing sanction, civil penalty, fine, permit 40 disapproval, or revocation or other sanction for failure to comply 41 with a form or format requirement imposed by statute, ordinance, or 42 rule for submission of the information in physical form, including 43 but not limited to any requirement that the information be in a 44 particular form or of a particular size, be submitted with multiple 45 copies, be physically attached to another document be an original 46 document or be signed, stamped, sealed, certified, or notarized.

h. As used in this section, "form and format" means thearrangement, organization, configuration, structure, or style of, or

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method of delivery for, providing required information or providing
the substantive equivalent of required information. "Form and
format" does not mean altering the substance of information or the
addition or omission of information.

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2. Section 3 of P.L.2005, c.212 (C.52:27D-124.3) is amended to read as follows:

8 3. A proposal by a private agency to provide inspection or plan 9 review services to a municipality to administer the provisions of the 10 "State Uniform Construction Code Act," P.L.1975, 11 c.217 (C.52:27D-119 et seq.) shall be submitted in accordance with 12 and shall be subject to the bidding and other provisions of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et 13 14 seq.). A municipality shall require, as part of the bid specifications, 15 that a private agency participate in the "Electronic Permit 16 Processing Review System," developed and implemented pursuant 17 to section 1 of P.L., c. (C.) (pending before the Legislature 18 as this bill). A municipality shall require as part of the bid 19 specifications that a private agency submit a bid or proposal in 20 terms of a percentage of the costs charged by the department when 21 it serves as a local enforcement agency pursuant to section 10 of 22 P.L.1975, c.217 (C.52:27D-128). A municipality may include in 23 the fee charged by it for work done by private agencies an amount 24 sufficient to cover a proportionate share of administrative costs 25 incurred by the local enforcing agency in connection with 26 inspections performed by private agencies.

- 27 (cf: P.L.2005, c.212, s.3)
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29 3. Section 3 of P.L.1979, c.121 (C.52:27D-126a) is amended to
30 read as follows:

31 Where the appointing authority of any municipality shall 3. 32 appoint an enforcing agency and construction board of appeals 33 pursuant to section 8 of P.L.1975, c. 217 (C.52:27D-126), the 34 municipal governing body by ordinance, in accordance with 35 standards established by the commissioner, shall set enforcing agency fees for plan review, construction permit, certificate of 36 37 occupancy, demolition permit, moving of building permit, elevator 38 permit and sign permit, provided, however, that such fees shall not 39 exceed the annual costs for the operation of the enforcing agency. 40 For the three year period commencing with an enforcing agency's initial participation in the "Electronic Permit Processing Review 41 42 System," developed and implemented pursuant to section 1 of P.L., c. (C.) (pending before the Legislature as this bill), the 43 44 municipal governing body may impose, and the enforcing agency 45 may collect, construction permit surcharge fees to defray the 46 enforcing agency's startup costs related to offering electronic plan 47 review and scheduling. Surcharge fees shall be established in

1 accordance with standards established by the commissioner. 2 (cf: P.L.1979, c.121, s.3) 3 4 4. Section 12 of P.L.1975, c.217 (C.52:27D-130) is amended to 5 read as follows: 6 12. Except as otherwise provided by this act or in the code, 7 before construction or alteration of any building or structure, the 8 owner, or his agent, engineer or architect, shall submit an 9 application in writing, including signed and sealed drawings and 10 specifications, to the enforcing agency as defined in this act. When 11 an enforcing agency begins to participate in the "Electronic Permit 12 Processing Review System," pursuant to section 1 of P.L. (C.) (pending before the Legislature as this bill), the owner, 13 с. 14 or his agent, engineer or architect, may submit applications and scheduling requests electronically. The application shall be in 15 16 accordance with regulations established by the commissioner and 17 on a form or in a format prescribed by the commissioner and shall 18 be accompanied by payment of the fee to be established by the 19 municipal governing body by ordinance in accordance with 20 standards established by the commissioner. The application for a 21 construction permit shall be filed with the enforcing agency and 22 shall be a public record; and no application for a construction 23 permit shall be removed from the custody of the enforcing agency 24 after a construction permit has been issued. Nothing contained in 25 this paragraph shall be interpreted as preventing the imposition of 26 requirements in the code, for additional permits for particular kinds 27 of work, including but not limited to plumbing, electrical, elevator, 28 fire prevention equipment or boiler installation or repair work, or in 29 other defined situations. 30 Upon the transfer of ownership of property that is the subject of 31 a construction permit, and prior to beginning or continuing work 32 authorized by the construction permit, the new owner shall file with 33 the enforcing agency an application for a permit update to notify the 34 enforcing agency of the name and address of the new owner and of 35 all other changes to information previously submitted to the 36 enforcing agency. If the municipality has adopted an ordinance 37 requiring a successor developer to furnish a replacement 38 performance guarantee, and a performance guarantee has previously 39 been furnished in favor of the municipality to assure the installation 40 of on-tract improvements on the property that is the subject of an 41 application for a permit update for the purpose of notifying the

42 enforcing agency of the name and address of a new owner, the 43 enforcing agency shall not approve the application for a permit 44 update until it receives notification from the governing body or its 45 designee that the new owner has furnished an adequate replacement 46 performance guarantee.

47 No permit shall be issued for a public school facility unless the 48 final plans and specifications have been first approved by the

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1 Bureau of Facility Planning Services in the Department of 2 Education or a municipal code official who is appropriately licensed 3 by the Commissioner of Community Affairs for the type and level 4 of plans being reviewed. Approval by the Bureau of Facility 5 Planning Services in the Department of Education shall only be required when a review for educational adequacy is necessary. 6 7 Requirements determining when a review for educational adequacy 8 is necessary shall be established jointly by the Department of 9 Community Affairs and the Department of Education. The 10 standards shall thereafter be adopted as part of the Uniform 11 Construction Code regulations by the Department of Community 12 Affairs. After the final plans and specifications have been approved 13 for educational adequacy by the Bureau of Facility Planning 14 Services in the Department of Education, a local board of education 15 may submit the final plans and specifications for code approval to 16 either the Bureau of Facility Planning Services in the Department of 17 Education or a municipal code official who is appropriately licensed 18 by the Commissioner of Community Affairs for the type and level 19 of plans being reviewed. The Bureau of Facility Planning Services 20 in the Department of Education when approving final plans and 21 specifications shall be responsible for insuring that the final plans 22 and specifications conform to the requirements of the code as well 23 as for insuring that they provide for an educationally adequate 24 facility. In carrying out its responsibility pursuant to the provisions 25 of this section the Department of Education shall employ persons 26 licensed by the Commissioner of Community Affairs for the type 27 and level of plans being reviewed. 28 (cf: P.L.2013, c.123, s.5) 29 30 5. This act shall take effect immediately. 31 32

STATEMENT

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35 This bill establishes the "Electronic Permit Processing Review 36 System," a web-based system allowing for the electronic 37 submission of applications for construction permits, plans, and 38 specifications pursuant to the "State Uniform Construction Code 39 Act," P.L.1975, c.217 (C.52:27D-119 et seq.), for the electronic 40 review and approval of applications, plans, and specifications, for 41 the scheduling of inspections, and for the exchange of information 42 between the applicant, the applicant's professionals, and the 43 department or enforcing agency during the review process. The 44 electronic system established by the bill would offer a permit 45 applicant:

the ability to submit the materials necessary for application
review;

1 • the ability to submit requests for on-site inspection of a 2 project; and 3 continuous, 24-hour accessibility for these submissions. • 4 The bill directs the commissioner to make the electronic system 5 accessible, and facilitate its use, through the acceptance of 6 application materials and scheduling submissions, by: 7 the department itself with regard to applications for which • 8 the department approves plans and specifications pursuant to 9 the "State Uniform Construction Code Act"; 10 local enforcing agencies; and private agencies providing plan review and inspection 11 • 12 services. 13 The bill directs the commissioner to fully implement the 14 electronic system, and require its use by the parties discussed above 15 within one year of the effective date of the bill. 16 The bill requires the commissioner to provide training 17 opportunities on the use of the electronic system for employees of 18 local enforcing agencies and private agencies that provide plan 19 review and inspection services. The bill requires the commissioner 20 to adopt rules and regulations to govern the form and format of 21 applications for construction permits, plans, and specifications and 22 other information exchanged through the electronic system. 23 The bill allows the department to waive requirements in other 24 laws that require the submission of information in physical form to 25 the extent the waiver is necessary to facilitate the submission of the 26 information electronically. The bill allows the department to accept 27 an electronic reproduction of a signature, stamp, seal, certification, 28 or notarization as the equivalent of the original or to accept the 29 substitution of identifying information for the signature, stamp, 30 seal, certification, or notarization. However, the bill allows the 31 commissioner the discretion to establish different submission 32 requirements, including non-electronic submissions as necessary, for large, complicated, or otherwise unusual construction projects, 33 34 so long as the system is designed to accept approximately 80 35 percent of application submissions electronically. 36 The bill holds a person harmless from any licensing sanction, 37 civil penalty, fine, permit disapproval or revocation or other 38 sanction for failure to comply with a form or format requirement 39 imposed by law for submission of the information in physical form 40 in order to facilitate the exchange of information through the electronic system in a form and format acceptable to the 41 42 department. 43 The bill allows the department and local enforcing agencies to

44 establish permit surcharge fees to defray the cost of transitioning to

45 electronic plan review.