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SENATE, No. 1739

STATE OF NEW JERSEY
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Sponsored by:

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Senator JAMES BEACH

District 6 (Burlington and Camden)

Co-Sponsored by:

Senators A.M.Bucco, Pou, O'Scanlon, Diegnan and Singleton

SYNOPSIS

Establishes “Electronic Permit Processing Review System.”

CURRENT VERSION OF TEXT

As amended by the Senate on January 28, 2021.



(Sponsorship Updated As Of: 2/16/2021)

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

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. (New section) a. The Commissioner of Community Affairs
10 shall establish, develop, implement, and administer the "Electronic
11 Permit Processing Review System." This electronic system shall be
12 an Internet-based system allowing for the electronic submission of
13 applications for construction permits, plans, and specifications
14 pursuant to the "State Uniform Construction Code Act," P.L.1975,
15 c.217 (C.52:27D-119 et seq.), for the electronic review and
16 approval of applications, plans, and specifications, for the
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:

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

23 (2) the ability to submit requests for on-site inspection of a
24 project; and

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

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

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

36 (b) local enforcing agencies; and

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

39 (2) ^{1(a)} 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
42 **1[require] provide for¹** its use, through the acceptance of
43 application materials and scheduling submissions, by **1[**:

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 thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted January 28, 2021.

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

4 (b) local enforcing agencies ; and

5 (c) private agencies providing plan review and inspection
6 services] may elect to utilize the electronic system implemented by
7 the department. In the alternative, a local enforcing agency may
8 utilize a different electronic system, which system shall provide the
9 same level of functionality as the system implemented by the
10 department.

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

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

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

39 f. The commissioner may adopt, amend, and repeal rules and
40 regulations providing for the charging of and setting the amount of
41 construction permit surcharge fees to be collected by an enforcing
42 agency or private agency [and] . Fees shall be
43 remitted to the department to defray the cost of developing and administering the
44 electronic system by local enforcing agencies that have elected to
45 utilize the electronic system implemented by the department.

46 g. A person exchanging information through the electronic
47 system in a form and format acceptable to the department is not

1 subject to any licensing sanction, civil penalty, fine, permit
2 disapproval, or revocation or other sanction for failure to comply
3 with a form or format requirement imposed by statute, ordinance, or
4 rule for submission of the information in physical form, including
5 but not limited to any requirement that the information be in a
6 particular form or of a particular size, be submitted with multiple
7 copies, be physically attached to another document be an original
8 document or be signed, stamped, sealed, certified, or notarized.

9 h. As used in this section, "form and format" means the
10 arrangement, organization, configuration, structure, or style of, or
11 method of delivery for, providing required information or providing
12 the substantive equivalent of required information. "Form and
13 format" does not mean altering the substance of information or the
14 addition or omission of information.

15

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

18 3. A proposal by a private agency to provide inspection or plan
19 review services to a municipality to administer the provisions of the
20 "State Uniform Construction Code Act," P.L.1975,
21 c.217 (C.52:27D-119 et seq.) shall be submitted in accordance with
22 and shall be subject to the bidding and other provisions of the
23 "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et
24 seq.). A municipality shall require, as part of the bid specifications,
25 that a private agency participate in ¹the "Electronic Permit
26 Processing Review System," developed and implemented pursuant
27 to section 1 of P.L. , c. (C.) (pending before the Legislature
28 as this bill)] whichever electronic system the municipality has
29 elected to utilize¹. A municipality shall require as part of the bid
30 specifications that a private agency submit a bid or proposal in
31 terms of a percentage of the costs charged by the department when
32 it serves as a local enforcement agency pursuant to section 10 of
33 P.L.1975, c.217 (C.52:27D-128). A municipality may include in
34 the fee charged by it for work done by private agencies an amount
35 sufficient to cover a proportionate share of administrative costs
36 incurred by the local enforcing agency in connection with
37 inspections performed by private agencies.

38 (cf: P.L.2005, c.212, s.3)

39

40 3. Section 3 of P.L.1979, c.121 (C.52:27D-126a) is amended to
41 read as follows:

42 3. Where the appointing authority of any municipality shall
43 appoint an enforcing agency and construction board of appeals
44 pursuant to section 8 of P.L.1975, c.217 (C.52:27D-126), the
45 municipal governing body by ordinance, in accordance with
46 standards established by the commissioner, shall set enforcing
47 agency fees for plan review, construction permit, certificate of
48 occupancy, demolition permit, moving of building permit, elevator

1 permit and sign permit, provided, however, that such fees shall not
2 exceed the annual costs for the operation of the enforcing agency.
3 For the three year period commencing with an enforcing agency's
4 initial participation in the "Electronic Permit Processing Review
5 System," developed and implemented pursuant to section 1 of
6 P.L. , c. (C.) (pending before the Legislature as this bill), the
7 municipal governing body may impose, and the enforcing agency
8 may collect, construction permit surcharge fees to defray the
9 enforcing agency's startup costs related to offering electronic plan
10 review and scheduling. Surcharge fees shall be established in
11 accordance with standards established by the commissioner.
12 (cf: P.L.1979, c.121, s.3)

13
14 4. Section 12 of P.L.1975, c.217 (C.52:27D-130) is amended to
15 read as follows:

16 12. Except as otherwise provided by this act or in the code,
17 before construction or alteration of any building or structure, the
18 owner, or his agent, engineer or architect, shall submit an
19 application in writing, including signed and sealed drawings and
20 specifications, to the enforcing agency as defined in this act. When
21 an enforcing agency begins to participate in the "Electronic Permit
22 Processing Review System," pursuant to section 1 of P.L. ,
23 c. (C.) (pending before the Legislature as this bill), the owner,
24 or his agent, engineer or architect, may submit applications and
25 scheduling requests electronically. The application shall be in
26 accordance with regulations established by the commissioner and
27 on a form or in a format prescribed by the commissioner and shall
28 be accompanied by payment of the fee to be established by the
29 municipal governing body by ordinance in accordance with
30 standards established by the commissioner. The application for a
31 construction permit shall be filed with the enforcing agency and
32 shall be a public record; and no application for a construction
33 permit shall be removed from the custody of the enforcing agency
34 after a construction permit has been issued. Nothing contained in
35 this paragraph shall be interpreted as preventing the imposition of
36 requirements in the code, for additional permits for particular kinds
37 of work, including but not limited to plumbing, electrical, elevator,
38 fire prevention equipment or boiler installation or repair work, or in
39 other defined situations.

40 Upon the transfer of ownership of property that is the subject of
41 a construction permit, and prior to beginning or continuing work
42 authorized by the construction permit, the new owner shall file with
43 the enforcing agency an application for a permit update to notify the
44 enforcing agency of the name and address of the new owner and of
45 all other changes to information previously submitted to the
46 enforcing agency. If the municipality has adopted an ordinance
47 requiring a successor developer to furnish a replacement
48 performance guarantee, and a performance guarantee has previously

1 been furnished in favor of the municipality to assure the installation
2 of on-tract improvements on the property that is the subject of an
3 application for a permit update for the purpose of notifying the
4 enforcing agency of the name and address of a new owner, the
5 enforcing agency shall not approve the application for a permit
6 update until it receives notification from the governing body or its
7 designee that the new owner has furnished an adequate replacement
8 performance guarantee.

9 No permit shall be issued for a public school facility unless the
10 final plans and specifications have been first approved by the
11 Bureau of Facility Planning Services in the Department of
12 Education or a municipal code official who is appropriately licensed
13 by the Commissioner of Community Affairs for the type and level
14 of plans being reviewed. Approval by the Bureau of Facility
15 Planning Services in the Department of Education shall only be
16 required when a review for educational adequacy is necessary.
17 Requirements determining when a review for educational adequacy
18 is necessary shall be established jointly by the Department of
19 Community Affairs and the Department of Education. The
20 standards shall thereafter be adopted as part of the Uniform
21 Construction Code regulations by the Department of Community
22 Affairs. After the final plans and specifications have been approved
23 for educational adequacy by the Bureau of Facility Planning
24 Services in the Department of Education, a local board of education
25 may submit the final plans and specifications for code approval to
26 either the Bureau of Facility Planning Services in the Department of
27 Education or a municipal code official who is appropriately licensed
28 by the Commissioner of Community Affairs for the type and level
29 of plans being reviewed. The Bureau of Facility Planning Services
30 in the Department of Education when approving final plans and
31 specifications shall be responsible for insuring that the final plans
32 and specifications conform to the requirements of the code as well
33 as for insuring that they provide for an educationally adequate
34 facility. In carrying out its responsibility pursuant to the provisions
35 of this section the Department of Education shall employ persons
36 licensed by the Commissioner of Community Affairs for the type
37 and level of plans being reviewed.

38 (cf: P.L.2013, c.123, s.5)

39

40 5. This act shall take effect immediately.