

SENATE, No. 1831

STATE OF NEW JERSEY

INTRODUCED JANUARY 29, 1997

By Senator MacINNES

1 AN ACT concerning the payment of certain construction-related fees  
2 by counties and municipalities and amending P.L.1985, c.409 and  
3 repealing P.L.1948, c.413.

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

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8 1. Section 1 of P.L.1985, c.409 (C.52:27D-126c) is amended to  
9 read as follows:

10 1. [No county, municipality, or any agency or instrumentality  
11 thereof shall be required to pay any municipal fee or charge in order  
12 to secure a construction permit for the erection or alteration of any  
13 public building or part thereof from the municipality wherein the  
14 building may be located.] Notwithstanding the provisions of any law,  
15 rule or regulation to the contrary, a municipality may charge any  
16 county, municipality or any agency or instrumentality thereof which  
17 undertakes the construction or alteration of a public building or part  
18 thereof a municipal fee or charge to cover the costs of plan review and  
19 any inspection associated with such alteration or construction. No  
20 erection or alteration of any public building or part thereof by a  
21 county, municipality, school board, or any agency or instrumentality  
22 thereof shall be subject to any fee, including any surcharge or training  
23 fee, imposed by any department or agency of State government  
24 pursuant to any law, or rule or regulation, except that nothing  
25 contained in this section shall be interpreted as preventing the  
26 imposition of a fee upon a board of education by either the  
27 Department of Education for plan review or by a municipality for the  
28 review of plans or any inspection associated therewith submitted to it  
29 pursuant to the provisions of section 12 of P.L.1975, c.217  
30 (C.52:27D-130).

31 (cf: P.L.1990, c.23, s.4)

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33 2. P.L.1948, c.413 (C.40:23-6.20) is hereby repealed.

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

Matter underlined thus is new matter.

1       3. This act shall take effect immediately.

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#### STATEMENT

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6       This bill permits a municipality to charge any county, municipality  
7 or any agency or instrumentality thereof which undertakes the  
8 construction or alteration of a public building or part thereof a  
9 municipal fee or charge to cover the costs of plan review and any  
10 inspection associated with such alteration or construction. The bill  
11 also permits a municipality to charge a board of education a fee to  
12 cover the cost by a municipality for the review of plans or any  
13 inspection associated therewith submitted to it pursuant to the  
14 provisions of section 12 of P.L.1975, c.217 (C.52:27D-130). The bill  
15 also repeals P.L.1948, c.413 (C.40:23-6.20), which provides that no  
16 county having a population in excess of 400,000 inhabitants (other  
17 than a county of the first class), or the board of chosen freeholders or  
18 any of its contractors, shall be required to pay any municipal fee or  
19 charge for a construction permit for the erection or alteration of a  
20 public building to the municipality in which the building is to be  
21 located.

22       This statutory exemption from the payment of construction permit  
23 fees has placed a financial burden on municipalities in which county-  
24 owned buildings are being constructed, because these municipalities  
25 must absorb the costs of plan review and inspection without  
26 reimbursement. This burden can be particularly onerous in situations  
27 in which the municipality employs a private inspection agency, which  
28 charges fixed rates for its services. In such cases, the taxpayers of the  
29 municipality which hosts the facility, who already are absorbing the  
30 property tax burden represented by the lost ratable on behalf of the  
31 whole county, end up footing the bill for plan review and inspection as  
32 well.

33       The effect of this bill will, in the case of a county construction  
34 project, spread the cost of the project to all county taxpayers, and not  
35 simply the taxpayers of the municipality in which the project is located.

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40       Removes prohibition on payment of certain construction-related fees  
41 by counties and municipalities.