

SENATE ECONOMIC GROWTH, AGRICULTURE AND
TOURISM COMMITTEE

STATEMENT TO

SENATE, No. 2190

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 23, 1997

The Senate Economic Growth, Agriculture and Tourism Committee reports favorably Senate Bill No. 2190, with committee amendments.

As amended, this legislation is intended to promote a business friendly environment for small, home-based businesses. Over the years, the State legislative and executive branches have worked together to create incentives for small, medium and large company retention and expansion. The Legislature, under this amended bill, intends to promote the development of small businesses. The amended bill supplements chapter 55D of Title 40 of the New Jersey Statutes to authorize home-based businesses as permitted uses in municipalities as long as certain conditions are met. These businesses must have no negative impact on the residential character of the neighborhood and must not cause pollution, traffic, noise or other safety problems.

In light of the growing number of home-based businesses and the positive benefits they offer in terms of built-in day care, increased variety of goods and services available, and reduced transportation and traffic congestion associated with travel to and from work, this legislation is intended to foster a State-local partnership in promoting a small business friendly environment.

The committee amended the bill to clarify that the provisions of the bill requiring condominium, cooperative and other homeowner associations to permit home-based businesses in their bylaws should not be construed as prohibiting guard-gated communities from enforcing their rules on access to the community. In addition, the amendments clarify that the hearing required pursuant to section 7 of the bill is to be an administrative hearing with the municipal zoning or code enforcement official who imposed fines prior to the effective date of the act. The amendments also provide a mechanism to resolve any complaints which may be made that the activities of a home-based business is having a deleterious impact on the environment, character of the neighborhood, congestion or safety of the residents of the community. A municipal zoning or housing code official is authorized

to make a determination on whether a home-based business is having such a negative impact, and may require such a business to meet certain conditions in order to be in compliance with the bill's provisions and retain permitted use status. The amendments also delay the effective date of the bill for 6 months.