

**SENATE, No. 4124**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED NOVEMBER 12, 2021

**Sponsored by:**  
**Senator TROY SINGLETON**  
**District 7 (Burlington)**

**SYNOPSIS**

Concerns development of accessory dwelling units.

**CURRENT VERSION OF TEXT**

As introduced.



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2

1 AN ACT concerning accessory dwelling units, supplementing and  
2 amending P.L.1975, c.291, and amending P.L.1985, c.222.

3

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

6

7 1. Section 3 of P.L.1975, c.291 (C.40:55D-3) is amended to  
8 read as follows:

9 For the purposes of this act, unless the context clearly indicates a  
10 different meaning:

11 The term "shall" indicates a mandatory requirement, and the term  
12 "may" indicates a permissive action.

13 "Accessory dwelling unit" means a second dwelling unit that:

14 (1) is attached or detached, or located within or appurtenant to a  
15 permitted principal dwelling unit or single-family dwelling;

16 (2) is located on the same lot as a permitted principal dwelling  
17 unit;

18 (3) contains no less than 30 percent of the net floor area of the  
19 principal dwelling unit, or one thousand square feet, whichever is  
20 less; and

21 (4) has facilities and provisions for independent living,  
22 including space for sleeping, food preparation, and sanitation.

23 "Administrative officer" means the clerk of the municipality,  
24 unless a different municipal official or officials are designated by  
25 ordinance or statute.

26 "Agricultural restriction" means an "agricultural deed restriction  
27 for farmland preservation purposes" as defined in section 3 of  
28 P.L.1983, c.32 (C.4:1C-13).

29 "Agricultural land" means "farmland" as defined pursuant to  
30 section 3 of P.L.1999, c.152 (C.13:8C-3).

31 "Applicant" means a developer submitting an application for  
32 development.

33 "Application for development" means the application form and  
34 all accompanying documents required by ordinance for approval of  
35 a subdivision plat, site plan, planned development, cluster  
36 development, conditional use, zoning variance or direction of the  
37 issuance of a permit pursuant to section 25 or section 27 of  
38 P.L.1975, c.291 (C.40:55D-34 or C.40:55D-36).

39 "Approving authority" means the planning board of the  
40 municipality, unless a different agency is designated by ordinance  
41 when acting pursuant to the authority of P.L.1975, c.291  
42 (C.40:55D-1 et seq.).

43 "Board of adjustment" means the board established pursuant to  
44 section 56 of P.L.1975, c.291 (C.40:55D-69).

**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.

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1 "Building" means a combination of materials to form a  
2 construction adapted to permanent, temporary, or continuous  
3 occupancy and having a roof.

4 "Cable television company" means a cable television company as  
5 defined pursuant to section 3 of P.L.1972, c.186 (C.48:5A-3).

6 "Capital improvement" means a governmental acquisition of real  
7 property or major construction project.

8 "Circulation" means systems, structures and physical  
9 improvements for the movement of people, goods, water, air,  
10 sewage or power by such means as streets, highways, railways,  
11 waterways, towers, airways, pipes and conduits, and the handling of  
12 people and goods by such means as terminals, stations, warehouses,  
13 and other storage buildings or transshipment points.

14 "Cluster development" means a contiguous cluster or  
15 noncontiguous cluster that is not a planned development.

16 "Common open space" means an open space area within or  
17 related to a site designated as a development, and designed and  
18 intended for the use or enjoyment of residents and owners of the  
19 development. Common open space may contain such  
20 complementary structures and improvements as are necessary and  
21 appropriate for the use or enjoyment of residents and owners of the  
22 development.

23 "Conditional use" means a use permitted in a particular zoning  
24 district only upon a showing that such use in a specified location  
25 will comply with the conditions and standards for the location or  
26 operation of such use as contained in the zoning ordinance, and  
27 upon the issuance of an authorization therefor by the planning  
28 board.

29 "Conservation restriction" means a "conservation restriction" as  
30 defined in section 2 of P.L.1979, c.378 (C.13:8B-2).

31 "Contiguous cluster" means a contiguous area to be developed as  
32 a single entity according to a plan containing a section or sections  
33 to be developed for residential purposes, nonresidential purposes, or  
34 a combination thereof, at a greater concentration of density or  
35 intensity of land use than authorized within the section or sections  
36 under conventional development, in exchange for the permanent  
37 preservation of another section or other sections of the area as  
38 common or public open space, or for historic or agricultural  
39 purposes, or a combination thereof.

40 "Conventional" means development other than cluster  
41 development or planned development.

42 "County agriculture development board" or "CADB" means a  
43 county agriculture development board established by a county  
44 pursuant to the provisions of section 7 of P.L.1983, c.32 (C.4:1C-  
45 14).

46 "County master plan" means a composite of the master plan for  
47 the physical development of the county in which the municipality is  
48 located, with the accompanying maps, plats, charts and descriptive

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1 and explanatory matter adopted by the county planning board  
2 pursuant to R.S.40:27-2 and R.S.40:27-4.

3 "County planning board" means the county planning board, as  
4 defined in section 1 of P.L.1968, c.285 (C.40:27-6.1), of the county  
5 in which the land or development is located.

6 (cf: P.L.2013, c.106, s.2)

7

8 2. (New section) a. An accessory dwelling unit shall be  
9 permitted on a lot that contains a single-family dwelling. A  
10 municipality may, but shall not be required to restrict occupancy of  
11 an accessory dwelling unit to low- and moderate-income  
12 households.

13 b. A municipal zoning ordinance may require a principal  
14 dwelling unit with an accessory dwelling unit to be subject to the  
15 same dimensional controls and other controls, except for residential  
16 density controls, as are required for the same principal dwelling unit  
17 without the accessory dwelling unit, as long as such restrictions do  
18 not altogether prohibit the construction of an accessory dwelling  
19 unit on any individual lot that contains a single-family dwelling, in  
20 violation of subsection a. of this section.

21 c. A municipal zoning ordinance shall be prohibited from  
22 requiring:

23 (1) a passageway between an accessory dwelling unit and a  
24 principal dwelling unit;

25 (2) an exterior door for an accessory dwelling;

26 (3) any more than one parking space for an accessory dwelling  
27 unit;

28 (4) a familial, marital, or employment relationship between  
29 occupants of a principal dwelling unit and an accessory dwelling  
30 unit;

31 (5) a minimum age requirement for occupants of an accessory  
32 dwelling unit;

33 (6) a separate billing of utilities otherwise connected to, or used  
34 by, the principal dwelling unit; or

35 (7) periodic renewals for permits for accessory dwelling units.

36 d. Nothing in this section shall exempt an accessory dwelling  
37 unit from:

38 (1) applicable building code requirements pursuant to the "State  
39 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119  
40 et seq.);

41 (2) the ability of a municipality to prohibit or limit the use of an  
42 accessory dwelling unit for short-term rentals or vacation stays; or

43 (3) sewerage system related requirements where a private  
44 sewerage system is being used, provided that approval for an  
45 accessory dwelling unit shall not be unreasonably withheld.

46 e. A municipal agency shall not condition the approval of an  
47 accessory dwelling unit on the correction of a nonconforming use,  
48 structure or lot, or require the installation of fire sprinklers in an

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1 accessory dwelling unit if sprinklers are not required for the  
2 principal dwelling unit located on the same lot.

3 f. An accessory dwelling unit shall not be considered a new  
4 residential use for the purpose of calculating or imposing  
5 connection fees or capacity charges for a purveyor of water and  
6 sewer service, unless the accessory dwelling unit is constructed  
7 together with a new single-family dwelling unit on the same lot, or  
8 requires the installation of a new or separate utility connection  
9 directly to the accessory dwelling unit.

10 g. A municipality may amend its land use regulations to  
11 comply with the provisions of "Municipal Land Use Law,"  
12 P.L.1975, c.291 (C.40:55D-1 et seq.), prior to January 1, 2023. On  
13 and after January 1, 2023, any provision of a municipality's land  
14 use regulations that are inconsistent with the provisions of P.L. ,  
15 c. (C. ) (pending before the Legislature as this bill) or other  
16 regulation shall be null and void and a municipal agency shall  
17 approve or deny applications for the development of accessory  
18 dwelling units in accordance with the requirements for regulations  
19 set forth under the provisions of P.L. , c. (C. ) (pending  
20 before the Legislature as this bill). A municipality may not impose  
21 additional standards beyond those set forth in this section related to  
22 the regulation of accessory dwelling units.

23 h. The governing body of a municipality, by a two-thirds vote  
24 of the full authorized membership, may opt out of all or some of the  
25 provisions of this section regarding the allowance of accessory  
26 dwelling units, provided the governing body:

27 (1) convenes a public hearing on the proposal to opt out prior to  
28 the vote;

29 (2) states upon its record the reasons for the governing body's  
30 decision opting out of the requirements; and

31 (3) not later than fifteen days after such decision has been  
32 rendered, notifies the Division of Local Government Services in the  
33 Department of Community Affairs that the municipality has elected  
34 to opt out of the requirements and publishes notice of such decision  
35 in the official newspaper of the municipality, if there be one, or in a  
36 newspaper of general circulation in the municipality.

37

38 3. (New section) a. A zoning ordinance shall not:

39 (1) establish for any dwelling unit a minimum floor area that is  
40 greater than the minimum floor area set pursuant to the "State  
41 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119  
42 et seq.) and any regulations adopted thereafter; and

43 (2) require more than one parking space for each studio or one-  
44 bedroom dwelling unit, or more than two parking spaces for each  
45 dwelling unit with two or more bedrooms, unless the municipality  
46 opts out in accordance with subsection b. of this section.

47 b. The governing body of a municipality, by a two-thirds vote of  
48 the full authorized membership, may opt out of the provision of

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6

1 subparagraph (2) of subsection a. of this section regarding  
2 limitations on parking spaces for dwelling units, provided the  
3 governing body:

4 (1) convenes a public hearing on the proposal to opt out prior to  
5 the vote;

6 (2) states upon its record the reasons for the governing body's  
7 decision opting out of the requirements; and

8 (3) not later than fifteen days after such decision has been  
9 rendered, notifies the Division of Local Government Services in the  
10 Department of Community Affairs that the municipality has elected  
11 to opt out of the requirements and publishes notice of such decision  
12 in the official newspaper of the municipality, if there be one, or in a  
13 newspaper of general circulation in the municipality.

14

15 4. Section 4 of P.L.1985, c.222 (C.52:27D-304) is amended to  
16 read as follows:

17 4. As used in P.L.1985, c.222 (C.52:27D-301 et al.):

18 a. "Council" means the Council on Affordable Housing  
19 established in P.L.1985, c.222 (C.52:27D-301 et al.), which shall  
20 have primary jurisdiction for the administration of housing  
21 obligations in accordance with sound regional planning  
22 considerations in this State.

23 b. "Housing region" means a geographic area of not less than  
24 two nor more than four contiguous, whole counties which exhibit  
25 significant social, economic and income similarities, and which  
26 constitute to the greatest extent practicable the primary metropolitan  
27 statistical areas as last defined by the United States Census Bureau  
28 prior to the effective date of P.L.1985, c.222 (C.52:27D-301 et al.).

29 c. "Low income housing" means housing affordable according  
30 to federal Department of Housing and Urban Development or other  
31 recognized standards for home ownership and rental costs and  
32 occupied or reserved for occupancy by households with a gross  
33 household income equal to 50 percent or less of the median gross  
34 household income for households of the same size within the  
35 housing region in which the housing is located.

36 d. "Moderate income housing" means housing affordable  
37 according to federal Department of Housing and Urban  
38 Development or other recognized standards for home ownership  
39 and rental costs and occupied or reserved for occupancy by  
40 households with a gross household income equal to more than 50%  
41 but less than 80 percent of the median gross household income for  
42 households of the same size within the housing region in which the  
43 housing is located.

44 e. "Resolution of participation" means a resolution adopted by  
45 a municipality in which the municipality chooses to prepare a fair  
46 share plan and housing element in accordance with P.L.1985, c.222  
47 (C.52:27D-301 et al.).

- 1 f. "Inclusionary development" means a residential housing  
2 development in which a substantial percentage of the housing units  
3 are provided for a reasonable income range of low and moderate  
4 income households.
- 5 g. "Conversion" means the conversion of existing commercial,  
6 industrial, or residential structures for low and moderate income  
7 housing purposes where a substantial percentage of the housing  
8 units are provided for a reasonable income range of low and  
9 moderate income households.
- 10 h. "Development" means any development for which  
11 permission may be required pursuant to the "Municipal Land Use  
12 Law," P.L.1975, c.291 (C.40:55D-1 et seq.).
- 13 i. "Agency" means the New Jersey Housing and Mortgage  
14 Finance Agency established by P.L.1983, c.530 (C.55:14K-1 et  
15 seq.).
- 16 j. "Prospective need" means a projection of housing needs  
17 based on development and growth which is reasonably likely to  
18 occur in a region or a municipality, as the case may be, as a result  
19 of actual determination of public and private entities. In  
20 determining prospective need, consideration shall be given to  
21 approvals of development applications, real property transfers, and  
22 economic projections prepared by the State Planning Commission  
23 established by sections 1 through 12 of P.L.1985, c.398 (C.52:18A-  
24 196 et seq.).
- 25 k. "Person with a disability" means a person with a physical  
26 disability, infirmity, malformation, or disfigurement which is  
27 caused by bodily injury, birth defect, aging, or illness including  
28 epilepsy and other seizure disorders, and which shall include, but  
29 not be limited to, any degree of paralysis, amputation, lack of  
30 physical coordination, blindness or visual impairment, deafness or  
31 hearing impairment, the inability to speak or a speech impairment,  
32 or physical reliance on a service animal, wheelchair, or other  
33 remedial appliance or device.
- 34 l. "Adaptable" means constructed in compliance with the  
35 technical design standards of the barrier free subcode adopted by  
36 the Commissioner of Community Affairs pursuant to the "State  
37 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119  
38 et seq.) and in accordance with the provisions of section 5 of  
39 P.L.2005, c.350 (C.52:27D-123.15).
- 40 m. "Very low income housing" means housing affordable  
41 according to federal Department of Housing and Urban  
42 Development or other recognized standards for home ownership  
43 and rental costs and occupied or reserved for occupancy by  
44 households with a gross household income equal to 30 percent or  
45 less of the median gross household income for households of the  
46 same size within the housing region in which the housing is located.
- 47 n. "Accessory dwelling unit" means a second dwelling unit  
48 that:

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- 1       (1) is attached or detached, or located within or appurtenant to a  
2 permitted principal dwelling unit or single-family dwelling;  
3       (2) is located on the same lot as a permitted principal dwelling  
4 unit;  
5       (3) contains no less than 30 percent of the net floor area of the  
6 principal dwelling unit, or one thousand square feet, whichever is  
7 less; and  
8       (4) has facilities and provisions for independent living,  
9 including space for sleeping, food preparation, and sanitation.  
10 (cf: P.L.2017, c.131, s.199)

11  
12       5. Section 10 of P.L.1985, c.222 (C.52:27D-310) is amended to  
13 read as follows:

14       10. A municipality's housing element shall be designed to  
15 achieve the goal of access to affordable housing to meet present and  
16 prospective housing needs, with particular attention to low and  
17 moderate income housing, and shall contain at least:

18       a. An inventory of the municipality's housing stock by age,  
19 condition, purchase or rental value, occupancy characteristics, and  
20 type, including the number of units affordable to low and moderate  
21 income households and substandard housing capable of being  
22 rehabilitated, and in conducting this inventory the municipality  
23 shall have access, on a confidential basis for the sole purpose of  
24 conducting the inventory, to all necessary property tax assessment  
25 records and information in the assessor's office, including but not  
26 limited to the property record cards;

27       b. A projection of the municipality's housing stock, including  
28 the probable future construction of low and moderate income  
29 housing, for the next ten years, taking into account, but not  
30 necessarily limited to, construction permits issued, approvals of  
31 applications for development and probable residential development  
32 of lands;

33       c. An analysis of the municipality's demographic  
34 characteristics, including but not necessarily limited to, household  
35 size, income level and age;

36       d. An analysis of the existing and probable future employment  
37 characteristics of the municipality;

38       e. A determination of the municipality's present and  
39 prospective fair share for low and moderate income housing and its  
40 capacity to accommodate its present and prospective housing needs,  
41 including its fair share for low and moderate income housing; and

42       f. A consideration of the lands that are most appropriate for  
43 construction of low and moderate income housing and of the  
44 existing structures most appropriate for conversion to, or  
45 rehabilitation for, low and moderate income housing, including:

46       (1) a consideration of lands of developers who have expressed a  
47 commitment to provide low and moderate income housing, and



1       (2) a consideration of lands and existing structures that are  
2 appropriate for the development of accessory dwelling units for  
3 low- and moderate-income housing.

4 (cf: P.L.2001, c.435, s.2)

5

6       6. Section 11 of P.L.1985, c.222 (C.52:27D-311) is amended to  
7 read as follows:

8       11. a. In adopting its housing element, the municipality may  
9 provide for its fair share of low and moderate income housing by  
10 means of any technique or combination of techniques which provide  
11 a realistic opportunity for the provision of the fair share. The  
12 housing element shall contain an analysis demonstrating that it will  
13 provide such a realistic opportunity, and the municipality shall  
14 establish that its land use and other relevant ordinances have been  
15 revised to incorporate the provisions for low and moderate income  
16 housing. In preparing the housing element, the municipality shall  
17 consider the following techniques for providing low and moderate  
18 income housing within the municipality, as well as such other  
19 techniques as may be published by the council or proposed by the  
20 municipality:

21       (1) Rezoning for densities necessary to assure the economic  
22 viability of any inclusionary developments, either through  
23 mandatory set-asides or density bonuses, as may be necessary to  
24 meet all or part of the municipality's fair share in accordance with  
25 the regulations of the council and the provisions of subsection h. of  
26 this section;

27       (2) Determination of the total residential zoning necessary to  
28 assure that the municipality's fair share is achieved;

29       (3) Determination of measures that the municipality will take to  
30 assure that low and moderate income units remain affordable to low  
31 and moderate income households for an appropriate period of not  
32 less than six years;

33       (4) A plan for infrastructure expansion and rehabilitation if  
34 necessary to assure the achievement of the municipality's fair share  
35 of low and moderate income housing;

36       (5) Donation or use of municipally owned land or land  
37 condemned by the municipality for purposes of providing low and  
38 moderate income housing;

39       (6) Tax abatements for purposes of providing low and moderate  
40 income housing;

41       (7) Utilization of funds obtained from any State or federal  
42 subsidy toward the construction of low and moderate income  
43 housing;

44       (8) Utilization of municipally generated funds toward the  
45 construction of low and moderate income housing; and

46       (9) The purchase of privately owned real property used for  
47 residential purposes at the value of all liens secured by the property,  
48 excluding any tax liens, notwithstanding that the total amount of

1 debt secured by liens exceeds the appraised value of the property,  
2 pursuant to regulations promulgated by the Commissioner of  
3 Community Affairs pursuant to subsection b. of section 41 of  
4 P.L.2000, c.126 (C.52:27D-311.2).

5 b. The municipality may provide for a phasing schedule for the  
6 achievement of its fair share of low and moderate income housing.

7 c. (Deleted by amendment, P.L.2008, c.46)

8 d. Nothing in P.L.1985, c.222 (C.52:27D-301 et al.) shall  
9 require a municipality to raise or expend municipal revenues in  
10 order to provide low and moderate income housing.

11 e. When a municipality's housing element includes the  
12 provision of rental housing units in a community residence for the  
13 developmentally disabled, as defined in section 2 of P.L.1977,  
14 c.448 (C.30:11B-2), which will be affordable to persons of low and  
15 moderate income, and for which adequate measures to retain such  
16 affordability pursuant to paragraph (3) of subsection a. of this  
17 section are included in the housing element, those housing units  
18 shall be fully credited as permitted under the rules of the council  
19 towards the fulfillment of the municipality's fair share of low and  
20 moderate income housing.

21 f. It having been determined by the Legislature that the  
22 provision of housing under P.L.1985, c.222 (C.52:27D-301 et al.) is  
23 a public purpose, a municipality or municipalities may utilize public  
24 monies to make donations, grants or loans of public funds for the  
25 rehabilitation of deficient housing units and the provision of new or  
26 substantially rehabilitated housing for low and moderate income  
27 persons, providing that any private advantage is incidental.

28 g. A municipality which has received substantive certification  
29 from the council, and which has actually effected the construction  
30 of the affordable housing units it is obligated to provide, may  
31 amend its affordable housing element or zoning ordinances without  
32 the approval of the council.

33 h. Whenever affordable housing units are proposed to be  
34 provided through an inclusionary development, a municipality shall  
35 provide, through its zoning powers, incentives to the developer,  
36 which shall include increased densities and reduced costs, in  
37 accordance with the regulations of the council and this subsection.

38 i. The council, upon the application of a municipality and a  
39 developer, may approve reduced affordable housing set-asides or  
40 increased densities to ensure the economic feasibility of an  
41 inclusionary development.

42 j. A municipality may enter into an agreement with a  
43 developer or residential development owner to provide a preference  
44 for affordable housing to low to moderate income veterans who  
45 served in time of war or other emergency, as defined in section 1 of  
46 P.L.1963, c.171 (C.54:4-8.10), of up to 50 percent of the affordable  
47 units in that particular project. This preference shall be established  
48 in the applicant selection process for available affordable units so

1 that applicants who are veterans who served in time of war or other  
2 emergency, as referenced in this subsection, and who apply within  
3 90 days of the initial marketing period shall receive preference for  
4 the rental of the agreed-upon percentage of affordable units. After  
5 the first 90 days of the initial 120-day marketing period, if any of  
6 those units subject to the preference remain available, then  
7 applicants from the general public shall be considered for  
8 occupancy. Following the initial 120-day marketing period,  
9 previously qualified applicants and future qualified applicants who  
10 are veterans who served in time of war or other emergency, as  
11 referenced in this subsection, shall be placed on a special waiting  
12 list as well as the general waiting list. The veterans on the special  
13 waiting list shall be given preference for affordable units, as the  
14 units become available, whenever the percentage of preference-  
15 occupied units falls below the agreed upon percentage. Any  
16 agreement to provide affordable housing preferences for veterans  
17 pursuant to this subsection shall not affect a municipality's ability to  
18 receive credit for the unit from the council, or its successor.

19 k. An accessory dwelling unit built or permitted after January 1,  
20 2022, shall only be credited towards a municipality's fair share  
21 affordable housing obligation as the equivalent of a studio  
22 apartment, which is affordable to a one person household.

23 (cf: P.L.2013, c.6, s.1)

24

25 7. This act shall take effect immediately.

26

27

28

#### STATEMENT

29

30 The bill concerns the development of accessory dwelling units.

31 Under this bill, an accessory dwelling unit would be permitted on  
32 a lot that contains a single-family dwelling. The bill allows a  
33 municipality to restrict occupancy of an accessory dwelling unit to  
34 those who qualify for low and moderate income housing.

35 The bill provides a municipal zoning ordinance may require a  
36 principal dwelling unit with an accessory dwelling unit to be subject  
37 to the same dimensional controls and other controls as are required  
38 for the same principal dwelling unit without the accessory dwelling  
39 unit, as long as such restrictions do not prohibit the construction of  
40 accessory dwelling units, as specified in the bill.

41 Under this bill a municipal zoning ordinance would be prohibited  
42 from requiring:

43 (1) a passageway between an accessory dwelling unit and a  
44 principal dwelling unit;

45 (2) an exterior door for an accessory dwelling;

46 (3) any more than one parking space for an accessory dwelling  
47 unit;

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1 (4) a familial, marital, or employment relationship between  
2 occupants of a principal dwelling unit and an accessory dwelling  
3 unit;

4 (5) a minimum age requirement for occupants of an accessory  
5 dwelling unit;

6 (6) a separate billing of utilities otherwise connected to, or used  
7 by, the principal dwelling unit; or

8 (7) periodic renewals for permits for accessory dwelling units.

9 The bill provides, however, that an accessory dwelling unit is not  
10 exempt from:

11 (1) applicable building code requirements;

12 (2) restrictions on the use of an accessory dwelling unit for  
13 short-term rentals or vacation stays; or

14 (3) sewerage system related requirements where a private  
15 sewerage system is being used, provided that approval for an  
16 accessory dwelling unit shall not be unreasonably withheld.

17 The bill requires that a municipal agency not condition the  
18 approval of an accessory dwelling unit on the correction of a  
19 nonconforming use, structure or lot, or require the installation of  
20 fire sprinklers in an accessory dwelling unit if sprinklers are not  
21 required for the principal dwelling unit located on the same  
22 developable site.

23 Under the bill, an accessory dwelling unit would not be  
24 considered a new residential use for the purpose of calculating or  
25 imposing connection fees or capacity charges for a purveyor of  
26 water and sewer service, unless the accessory dwelling unit is  
27 constructed together with a new single-family dwelling unit on the  
28 same lot, or requires the installation of a new or separate utility  
29 connection directly to the accessory dwelling unit.

30 The bill provides that a municipality may amend its land use  
31 regulations to comply with the provisions of "Municipal Land Use  
32 Law," P.L.1975, c.291 (C.40:55D-1 et seq.), prior to January 1,  
33 2023. On and after January 1, 2023, any provision of a  
34 municipality's land use regulations that are inconsistent with the  
35 provisions of the bill or other regulation would be null and void and  
36 a municipal agency would approve or deny applications for the  
37 development of accessory dwelling units in accordance with the  
38 requirements for regulations set forth under the bill. Under the bill,  
39 a municipality is prohibited from imposing additional standards  
40 related to the regulation of accessory dwelling units, except as  
41 provided for in the bill.

42 Under the bill the governing body of a municipality, by a two-  
43 thirds vote of the full authorized membership, may opt out of the  
44 allowance of accessory dwelling units, provided the governing  
45 body:

46 (1) convenes a public hearing;

47 (2) states upon its record the reasons for opting out; and

1 (3) not later than fifteen days after such decision has been  
2 rendered, notifies the Division of Local Government Services in the  
3 Department of Community Affairs (DCA) that the municipality has  
4 elected to opt out of the requirements and publishes notice of such  
5 decision in the official newspaper of the municipality, if there be  
6 one, or in a newspaper of general circulation in the municipality.

7 The bill also prohibits a zoning ordinance from:

8 (1) establishing for any dwelling unit a minimum floor area that  
9 is greater than the minimum floor area set; and

10 (2) requiring more than one parking space for each studio or  
11 one-bedroom dwelling unit, or more than two parking spaces for  
12 each dwelling unit with two or more bedrooms, unless the  
13 municipality opts out. The governing body of a municipality, by a  
14 two-thirds vote of the full authorized membership, may opt out  
15 regarding limitations on parking spaces for dwelling units, provided  
16 the governing body:

17 (1) convenes a public hearing;

18 (2) states upon its record the reasons for opting out; and

19 (3) not later than fifteen days after such decision has been  
20 rendered, notifies DCA that the municipality has elected to opt out  
21 of the requirements and publishes notice of such decision in the  
22 official newspaper of the municipality, if there be one, or in a  
23 newspaper of general circulation in the municipality.

24 The bill would also amend the "Fair Housing Act," P.L.1985,  
25 c.222 (C.52:27D-301 et al.), to require a municipality's master plan  
26 housing element to contain a consideration of lands and existing  
27 structures that are appropriate for the development of accessory  
28 dwelling units that can provide low- and moderate-income housing,  
29 and to provide that accessory dwelling units built or permitted after  
30 January 1, 2022, would only be credited towards a municipality's  
31 fair share affordable housing obligation as the equivalent of a studio  
32 apartment, which is affordable to a one person household.