

ASSEMBLY, No. 5264

STATE OF NEW JERSEY

221st LEGISLATURE

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SYNOPSIS

Requires establishment of automated platform to expedite construction code approval of applications to install residential solar energy systems.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/6/2025)

1 AN ACT concerning the review and approval of residential solar
2 energy systems and supplementing P.L.1975, c.217 (C.52:27D-
3 119 et seq.).

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

7
8 1. The Legislature finds and declares that:

9 a. New Jersey has adopted a goal of 100 percent clean energy by
10 2035.

11 b. Simplifying and enhancing the ability of New Jersey residents
12 to install and use solar energy systems and home batteries are an
13 essential component of the State's ability to attain this clean energy
14 goal.

15 c. Residential energy bills in New Jersey are among the highest
16 in the country, imposing significant financial burdens upon New
17 Jersey residents, and thereby exacerbating the State's housing
18 affordability crisis.

19 d. Installation and use of rooftop solar energy systems is one
20 way to enable New Jersey residents to significantly reduce
21 residential electricity bills and thereby make housing more
22 affordable.

23 e. Vestiges of outdated, overly bureaucratic permitting
24 requirements for installation of solar energy systems within New
25 Jersey cause residents to significantly delay installation efforts and
26 significantly increase costs incurred in installing residential solar
27 energy storage systems across the state.

28 f. New Jersey has the fifth slowest known solar permitting
29 timelines of any state in the country.

30 g. The Solar Energy Industries Association has estimated that
31 permitting and other bureaucratic barriers within New Jersey
32 typically increase the cost of installing a residential solar energy
33 system by \$6,000 to \$7,000.

34 h. The installation costs for a residential solar energy system in
35 the United States is approximately double the installation costs in
36 Europe, largely because Europe has virtually eliminated permitting
37 and other bureaucratic barriers.

38 i. Approximately one-in-five residential solar energy installation
39 projects are cancelled after submission of an application for a
40 permit which, according to solar energy system installers, is largely
41 a direct result of frustration experienced in attempting to maneuver
42 through New Jersey's permitting process.

43 j. It has been reported that contractors who are in the business of
44 installing residential solar energy systems and home batteries within
45 New Jersey avoid entering into contracts to install systems within
46 municipalities that impose especially burdensome permitting
47 requirements.

1 k. Hundreds of jurisdictions across the country, representing
2 approximately 25 percent of the national market, have removed
3 permitting barriers to the installation of residential solar energy
4 systems and home energy battery storage by automating the
5 permitting process.

6 1. Residential solar and home energy storage projects that
7 receive automated permits pass inspections at similar rates to
8 residential solar and home energy storage projects that receive
9 traditional permits.

10 m. Automated permitting has the potential to reduce the costs of
11 solar, reduce installation timelines, and reduce cancellations, all of
12 which will enable more families to install solar on their roofs and
13 batteries in their garages.

14

15 2. a. As used in this section:

16 "Department" means the Department of Community Affairs.

17 "Enforcing agency" means the municipal or county construction
18 official and subcode officials provided for in section 8 of P.L.1975,
19 c.217 (C.52:27D-126), or section 1 of P.L.2018, c.157 (C.52:27D-
20 126.8) regarding a pilot county in the "County Code Enforcement
21 Pilot Program," and assistants thereto.

22 "Form and format" means the arrangement, organization,
23 configuration, structure, or style of, or method of delivery for,
24 providing required information or providing the substantive
25 equivalent of required information. "Form and format" does not
26 mean altering the substance of information or the addition or
27 omission of information.

28 "State Smart Solar Permitting Platform" means an Internet-based
29 platform that, consistent with the "State Uniform Construction Code
30 Act," P.L.1975, c.217 (C.52:27D-119 et seq.), automates plan
31 review, produces a code-compliant approval, and instantly releases
32 a permit or permit revision in response to the receipt of an
33 acceptable application to construct a residential solar energy
34 system.

35 b. (1) The Commissioner of Community Affairs shall establish,
36 develop, implement, and administer the State Smart Solar
37 Permitting Platform for the purpose of automatically performing
38 plan review of applications to construct a residential solar energy
39 system, and to instantly release a permit or permit revision to
40 construct a code-compliant residential solar energy system. The
41 commissioner shall fully implement the State Smart Solar
42 Permitting Platform so that the platform is available for use by the
43 department, enforcing agencies, and contractors prior to the first
44 day of the 12th month next following the date of enactment of
45 P.L. , c. (C.) (pending before the Legislature as this bill).

46 (2) An application to construct a residential solar energy system
47 submitted pursuant to this section shall include an application to
48 construct a residential solar energy storage system and to also

1 perform a main electric panel upgrade, a main breaker derate, or
2 both, as prescribed by the department.

3 (3) The State Smart Solar Permitting Platform shall:

4 (a) perform robust code compliance checks using algorithms to
5 evaluate characteristics of the proposed residential solar energy
6 system, as provided by a qualified contractor or subcontractor with
7 an electrical contractor's license, or the contractor's or
8 subcontractor's representative, to determine whether the proposed
9 system aligns with the requirements of the State Uniform
10 Construction Code;

11 (b) produce construction documents to be used for the inspection
12 of a residential solar energy system and for recordkeeping purposes
13 consistent with the requirements of the State Uniform Construction
14 Code;

15 (c) instantly release permits and permit revisions to construct a
16 residential solar energy system consistent with the requirements of
17 the State Uniform Construction Code;

18 (d) be designed to process permit applications for, at a
19 minimum, approximately 75 percent of residential rooftop solar
20 energy systems that weigh less than or are equal to four pounds per
21 square foot, and comply with State Uniform Construction Code
22 requirements for installation on an existing residential structure;

23 (e) provide users with the ability to submit an application to
24 construct a residential solar energy system 24 hours a day, except
25 when the platform is down for an upgrade or maintenance;

26 (f) be provided to the department at no-cost or low-cost if a third
27 party provides, or third parties provide, the State Smart Solar
28 Permitting Platform to the department; and

29 (g) allow the use of electronic signatures on all applications and
30 submitted materials necessary for issuance of a permit.

31 c. (1) The commissioner's implementation of the State Smart
32 Solar Permitting Platform shall provide access to the platform, and
33 facilitate use of the platform, by the department, local enforcing
34 agencies, private agencies that provide plan review and inspection
35 services, and contractors engaged in the installation of residential
36 solar energy systems.

37 (2) (a) Within one year following the effective date of P.L. ,
38 c. (C.) (pending before the Legislature as this bill), the
39 commissioner shall implement the State Smart Solar Permitting
40 Platform and provide for its use by the department, enforcing
41 agencies, and contractors.

42 (b) A local enforcing agency shall either allow for the
43 submission of applications to construct a residential solar energy
44 system through the State Smart Solar Permitting Platform or
45 through an alternative automated solar permitting platform that
46 satisfies the requirements set forth in subsection a. of this section in
47 an equivalent manner as the State Smart Solar Permitting Platform
48 implemented by the department. A local enforcing agency that

1 implements an alternative automated solar permitting platform shall
2 enable access to the alternative platform prior to the first day of the
3 18th month next following the effective date of P.L. , c.
4 (C.) (pending before the Legislature as this bill). A local
5 enforcing agency that implements an alternative automated solar
6 permitting platform shall not require an applicant to submit
7 documentation that is not required through the State Smart Solar
8 Permitting Platform.

9 d. (1) A local enforcing agency that does not allow for the
10 submission of applications to construct a residential solar energy
11 system through the State Smart Solar Permitting Platform shall
12 submit a compliance report to the department within 60 days of the
13 local enforcing agency's implementation of an alternative
14 automated solar permitting platform. The department may establish
15 guidelines for submission of a local compliance report. A local
16 compliance report shall include, but may not be limited to:

17 (a) the date of compliance;

18 (b) the software used for compliance;

19 (c) documentation demonstrating that the alternative automated
20 solar permitting platform implemented by the local enforcing
21 agency satisfies the requirements set forth in subsection a. of this
22 section in an equivalent manner as the platform implemented by the
23 department.

24 (2) If the department determines that documentation submitted
25 with a local compliance report pursuant to subparagraph (c) of
26 paragraph (1) of this subsection is insufficient to verify that the
27 platform satisfies the requirements set forth in subsection a. of this
28 section in an equivalent manner as the platform implemented by the
29 department, the local enforcing agency shall provide the
30 department, at the department's request, access to the platform.

31 (3) The department shall provide public access to local
32 compliance reports on the department's Internet website.

33 e. (1) A local enforcing agency that implements an alternative
34 automated solar permitting platform pursuant to this section shall,
35 commencing with April 1, 2027, submit an annual report to the
36 department. The department may establish guidelines for annual
37 reports required under this paragraph. An annual report shall
38 include, but shall not be limited to:

39 (a) the number of permits released by the enforcing agency for
40 residential solar energy systems through the alternative automated
41 solar permitting platform and relevant characteristics of those
42 systems;

43 (b) the number of permits released by the enforcing agency for
44 residential solar energy systems through means other than the
45 alternative automated solar permitting platform and relevant
46 characteristics of those systems;

47 (c) documentation demonstrating that the alternative automated
48 solar permitting platform satisfies the requirements set forth in

1 subsection a. of this section in an equivalent manner as the platform
2 implemented by the department.

3 (2) If the department determines that documentation submitted
4 pursuant to subparagraph (c) of paragraph (1) of this subsection is
5 insufficient to verify that the alternative automated solar permitting
6 platform meets the requirements set forth in subsection a. of this
7 section in an equivalent manner as the platform implemented by the
8 department, the local enforcing agency shall provide the
9 department, at the department's request, access to the platform.

10 (3) The department shall provide public access to annual reports
11 on the department's Internet website.

12 f. (1) If the department determines that a local enforcing agency
13 has failed to allow for the submission of applications to construct a
14 residential solar energy system through either the State Smart Solar
15 Permitting Platform or through an alternative automated solar
16 permitting platform as required pursuant to this section, the
17 department shall impose a penalty upon, and collect penalty
18 amounts from, the local enforcing agency. The department shall
19 adopt a penalty schedule to set the penalty amounts and shall
20 allocate all monies collected from penalties to the Low Income
21 Home Energy Assistance Program as administered in the State and
22 established pursuant to 42 U.S.C. s.8621 et seq.

23 (2) The department may, in its sole discretion, condition or deny
24 direct funding to a local unit from any program it administers if the
25 department determines that the local unit's enforcing agency is not
26 in compliance with this section.

27 g. The commissioner shall provide training opportunities on the
28 use of the State Smart Solar Permitting Platform for employees of
29 local enforcing agencies.

30 h. The commissioner shall, in accordance with the
31 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
32 seq.), adopt rules and regulations to govern the form and format of
33 applications for permits, approval documents, specifications and
34 other information exchanged through the State Smart Solar
35 Permitting Platform.

36 i. The department may waive State Uniform Construction Code
37 requirements in order to release a permit for a residential solar
38 energy system through the State Smart Solar Permitting Platform.

39 j. The commissioner may adopt, amend, and repeal rules and
40 regulations providing for the charging of, and setting the amount of,
41 solar permit surcharge fees to be collected by an enforcing agency
42 or private agency. A local enforcing agency shall remit to the
43 department all monies collected by the agency through solar permit
44 surcharge fees to defray the cost of developing and administering
45 the State Smart Solar Permitting Platform.

46 k. A person exchanging information through either the State
47 Smart Solar Permitting Platform or through an alternative
48 automated solar permitting platform in a form and format

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

10 1. Neither a public entity nor a public employee shall be held
11 liable under N.J.S.59:2-5 or other applicable provision of law for
12 injury caused by release of a permit through the State Smart Solar
13 Permitting Platform.

14

15 3. This act shall take effect immediately.

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17

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STATEMENT

19

20 This bill expedites the review and approval of projects to install
21 most types of residential solar energy systems. The bill proposes to
22 accomplish this by requiring the Commissioner of Community
23 Affairs (commissioner) to establish and administer the State Smart
24 Solar Permitting Platform within one year of the bill's date of
25 enactment. Establishment of the State Smart Solar Permitting
26 Platform will enhance the ability of a local enforcing agency: to
27 review permit applications and permit revisions instantly for safety
28 and code compliance, and to release permits and permit revisions
29 instantly for residential solar energy systems, residential energy
30 storage systems, main electric panel upgrades, and main electric
31 panel derates.

32

33 The State Smart Solar Permitting Platform is to automatically
34 perform plan review of applications to construct a residential solar
35 energy system, and instantly release permits or permit revisions to
36 construct code-compliant residential solar energy systems. Under
37 the bill, the term "application to construct a residential solar energy
38 system" includes applications to construct a residential solar energy
39 storage system submitted together with an application to perform a
40 main electric panel upgrade, a main breaker derate, or both.

41

- 42 The bill requires the State Smart Solar Permitting Platform to:
- 43 • perform robust code compliance checks to evaluate proposed
44 residential solar energy systems to determine whether they
45 comply with the requirements of the State Uniform
46 Construction Code;
 - 47 • produce construction documents to be used for inspection
48 and recordkeeping purposes under the code;
 - instantly release a permit or permit revision to construct a
residential solar energy system that complies with the code;

- 1 • be designed to process 75 percent of residential solar energy
- 2 system permit applications submitted;
- 3 • be available for applicants to use 24 hours a day, except
- 4 when the platform is down for an upgrade or maintenance;
- 5 • be provided to the department at no-cost or low-cost if
- 6 provided by a third party;
- 7 • allow the use of electronic signatures on all applications and
- 8 submitted materials necessary for issuance of a permit.

9 The bill directs the commissioner to fully implement the State
10 Smart Solar Permitting Platform and provide for its use within one
11 year after the bill is enacted.

12 The bill requires each local enforcing agency to either allow for
13 the submission of applications to construct a residential solar
14 energy system through the State Smart Solar Permitting Platform or
15 through an alternative automated solar permitting platform that
16 satisfies the requirements set forth in the bill for the State platform.
17 If a local enforcing agency opts to implement an alternative
18 automated solar permitting platform, the bill requires the local
19 enforcing agency to enable access to the alternative automated solar
20 permitting platform within 18 months of the bill's effective date.

21 The bill requires each local enforcing agency that chooses to
22 provide an alternative platform to the State Smart Solar Permitting
23 Platform to submit a compliance report to the Department of
24 Community Affairs (DCA) within 60 days of implementation of the
25 alternative platform. The bill requires a local compliance report to
26 include: the date of compliance, the software used for compliance,
27 and documentation showing that the alternative platform satisfies
28 the requirements set forth in the bill in an equivalent manner as the
29 State Smart Solar Permitting Platform.

30 The bill provides that if the DCA determines that documentation
31 submitted with a local compliance report is insufficient to verify
32 that the alternative platform satisfies the bill's requirements, the bill
33 requires the local enforcing agency to provide the DCA with access
34 to the alternative platform.

35 The bill also requires a local enforcing agency that implements
36 an alternative platform to submit an annual report to the DCA that
37 complies with departmental guidelines and provides the following
38 statutorily required information:

- 39 • the number of permits released by the enforcing agency for
- 40 residential solar energy systems through the alternative
- 41 automated solar permitting platform and relevant
- 42 characteristics of those systems;
- 43 • the number of permits released by the enforcing agency for
- 44 residential solar energy systems through means other than
- 45 the alternative automated solar permitting platform and
- 46 relevant characteristics of those systems; and
- 47 • documentation showing that the alternative platform satisfies
- 48 the other requirements set forth in the bill.

1 If the DCA determines that documentation submitted by a local
2 enforcing agency is insufficient to verify that the alternative
3 platform meets the bill's requirements, the bill requires the local
4 enforcing agency to provide the DCA access to the platform.

5 If the DCA determines that a local enforcing agency does not
6 allow for submission of applications to construct a residential solar
7 energy system through either the State Smart Solar Permitting
8 Platform or through an alternative platform, the bill directs the
9 DCA to impose a penalty upon, and collect penalty amounts from,
10 the local enforcing agency, which amounts are to be allocated to the
11 Low Income Home Energy Assistance Program.

12 Additionally, the bill empowers the DCA to condition or deny
13 direct funding to a local unit from any program it administers if the
14 DCA determines that the local unit's enforcing agency is not in
15 compliance with the bill's requirements.

16 The bill directs DCA to provide training opportunities
17 concerning the use of the State Smart Solar Permitting Platform for
18 employees of local enforcing agencies and authorizes the DCA to
19 charge solar permit surcharge fees. Monies collected by a local
20 enforcing agency through solar permit surcharge fees are to be
21 remitted to the DCA to defray the cost of developing and
22 administering the State Smart Solar Permitting Platform.