

February 21, 2023

The Construction Department has made its budget for 2022 with additional revenue. Our staff with three full time and one part time clerical and five full time and three part time inspectors processed 4360 technical forms and issued 2404 permits. With only eight inspectors we performed 8,556 inspections.

The cost of construction work in Lawrence for 2022 had a total of 119,058,191.

Our staff has been keeping up with the work load, but I do see the need for more building and plumbing inspectors. The two building inspectors are in their 70's. The need for more and younger inspectors are needed due to age and retirement. The process of hiring can take a year due to Civil Service.

The major change to our operations may be bill A573, which will give the option to use a private on-site inspection agency to perform inspections if the enforcing agency cannot complete an inspection within three business days after being requested. The Township would have to reimburse the owner from the permit fee for any private inspections. This has come about due to projects having to wait weeks for inspections due to staffing problems in the state. This is another reason to have more staff.

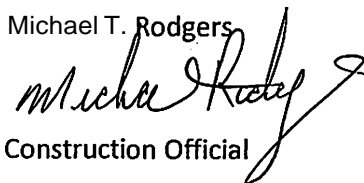
Please see attached A573.

Also, please see Department of Community Affairs Memorandum on electronic permit processing and plan review timeline which we are in the process of doing. Once we have the equipment and our new system operating completely this department will be ready.

Please see attached memorandum.

Respectfully submitted,

Michael T. Rodgers

A handwritten signature in black ink, appearing to read "Michael Rodgers", with a stylized flourish at the end.

Construction Official

**TOWNSHIP OF LAWRENCE- 2023 BUDGET:EXTERNAL BUDGET FACTORS**

**DEPARTMENT:** Community Development  
**DIVISION NAME:** Construction Code Enforcement  
**DIVISION #:** 195

**For Finance Use Only****Date Received:****Question 1: How will state mandates and legislative changes effect the budget for this division ?**

Bill A1145. We are still transitioning to our electronic permit process and review.

Other Budget Factors

- (1) Plumbing Inspector - Approved prior years budget.
- (1) Electric Inspector - Approved prior years budget.
- (1) Building Inspector - Approved prior years budget.
- (1) Part-Time Clerical Staff - Approved prior years budget.

**Question 2: Are there any additional revenue sources that could be used to support your division budget or the township as a whole?**

Bill A1145. Allows to permit surcharge fee to defray the cost to transition to electronic plan review.

Other Budget Factors

- (1) Estimated budget for 2023 is approx. \$1,400,000.00.
- (2) Estimated average collection for October to December 2022 will be approx. \$200,000.00 to \$300,000.00 additional revenue.
- (3) Aprox. Construction fee's collected to end of September 2022 is \$1,000,000.00 less D.C.A. Fee's \$69,057.00 which leaves an approx. balance at the end of September 2022 \$93,0943.00.

**Question 3 Do you recommend any changes to the current rate and fee schedule that the Township currently has in effect?**

- 1. Recommend at this time to keep the same fee schedule ord. #2014-09.
- 2. Recommend implementing a surcharge fee as Bill A1145 allows for commercial work only.

## TOWNSHIP OF LAWRENCE-2023 BUDGET: OPERATING EXPENSES

DEPARTMENT: Community Developoment

DIVISION NAME: Construction Code Enforcement

DIVISION #: 195

For Finance Use Only:

Date Received: \_\_\_\_\_

EXP. CODE NUMBER	EXPENSE CODE DESCRIPTION	2023 BUDGET REQUEST	2022 EXPECTED EXPENSES
207	Data Processing Services	\$13,000.00	\$13,000.00
212	Equipment Repair	\$1,100.00	\$1,100.00
226	Medical Services	\$700.00	\$700.00
227	Meeting, Conventions, Conferences	\$2,415.00	\$2,415.00
228	Memberships	\$1,200.00	\$1,200.00
232	Printing & Binding	\$1,552.00	\$1,552.00
239	Service to Office Equipment	\$200.00	\$200.00
245	Training Programs	\$400.00	\$400.00
255	Contractual Services	\$400.00	\$400.00
261	Books, Statues & Publications	\$1,200.00	\$1,200.00
267	Equipment, Machinery, Parts	\$1,000.00	\$1,000.00
272	Hardware & Minor Tools	\$150.00	\$150.00
276	Office Supplies	\$6,000.00	\$6,000.00
277	Photo Supplies	\$100.00	\$100.00
283	Uniforms	\$1,800.00	\$1,800.00
293	Office Equipment & Furniture	\$9,400.00	\$9,400.00
299	Other Expenses	\$437,383.00	\$437,383.00
FORM O.E.1	PAGE TOTALS	\$478,000.00	\$478,000.00
Pg 2 of 4	GRAND TOTALS		

## TOWNSHIP OF LAWRENCE-2023 BUDGET: OPERATING EXPENSES

DEPARTMENT NAME: Community Development  
 DIVISION NAME: Construction Code Enforcement  
 DIVISION #: 195

For Finance Use Only:

Date Received: \_\_\_\_\_

Location Number of Days	Title(s)	Fee	Lodging Costs	Meal Allowance	Airfare/ Mileage/ Car Rental
New Jersey	State League			\$75.00	
3 days					
Total Conference Cost:					\$75.00
New Jersey	Code Lucheons	\$15		\$45.00	
12 Days per year	Tech Asst. to C.O.				
Total Conference Cost:					\$540.00
New Jersey	Code Lucheons	\$15		\$90.00	
20 days including	6 Inspectors				
Building Safety Week					
Total Conference Cost:					\$1,800.00
Total Conference Cost:					
Total Conference Cost:					\$2,415.00

FORM O.E.3.  
Pg. 3 of 4

## TOWNSHIP OF LAWRENCE: 2023 BUDGET: 5 YEAR CAPITAL PLAN

DEPARTMENT NAME: Community Development  
DIVISION NAME: Construction Code Enforcement  
DIVISION #: 195

For Finance Use Only:

Date Received: \_\_\_\_\_

CAPITAL PROJECT #	CAPITAL PROJECT DESCRIPTION	2023	2024	2025	2026	2027	TOTAL
1	Road Improvements and Drainage						
2	Purchase of Public Works Equipment		\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00	\$132,000.00
3	Municipal Building Improvements						
4	Purchase of Fire Equipment						
5	Park Improvements and Equipment						
6	Purchase of Communication Equipment						
7	Purchase of Office Equipment/Furniture						
8	Purchase of Ambulances						
9	Purchase of Municipal Facilities						
10	Preservation of Open Space						
TOTALS			\$33,000.00	\$33,000.00	\$33,000.00	\$33,000.00	\$132,000.00

Note: Remember to include soft costs (architects, engineers, attorney) and 15% for financing costs.

## COMMENTS:

#2 Replace aging Fleet with new 4x4 SUV each year starting 2024.

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 573**

**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

ADOPTED OCTOBER 20, 2022

**Sponsored by:**

Assemblyman **ROBERT J. KARABINCHAK**  
District 18 (Middlesex)  
Assemblyman **ROY FREIMAN**  
District 16 (Hunterdon, Mercer, Middlesex and Somerset)  
Assemblyman **CLINTON CALABRESE**  
District 36 (Bergen and Passaic)  
Assemblyman **LOUIS D. GREENWALD**  
District 6 (Burlington and Camden)  
Senator **NICHOLAS P. SCUTARI**  
District 22 (Middlesex, Somerset and Union)  
Senator **PATRICK J. DIEGNAN, JR.**  
District 18 (Middlesex)

**Co-Sponsored by:**

Assemblymen **DiMaio, McClellan, Simonsen, Wirths, Space,**  
Assemblywoman **Timberlake, Assemblyman Benson, Assemblywoman**  
**Reynolds-Jackson, Assemblyman Morarty, Assemblywoman Piperno,**  
Assemblymen **Catalano, Auth, Assemblywomen Carter, Eulner,**  
Assemblyman **Rooney, Assemblywoman DeFuccio, Assemblyman**  
**Wimberly, Assemblywoman Pintor/Marin, Senators Gopal and Johnson**

**SYNOPSIS**

Provides for expedited construction inspections

**CURRENT VERSION OF TEXT**

As reported by the Assembly Community Development and Affairs  
Committee on December 5, 2022, with amendments.

(Sponsorship Updated As Of: 12/19/2022)

1 AN ACT concerning inspections under the construction code and  
2 amending P.L.1975, c.217 and P.L.1999, c.440.

3  
4 BE IT ENACTED by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. Section 6 of P.L.1975, c.217 (C.52:27D-124) is amended to  
8 read as follows:

9 6. The commissioner shall have all the powers necessary or  
10 convenient to effectuate the purposes of [this act] P.L.1975, c.217  
11 (C.52:27D-119 et seq.), including, but not limited to, the following  
12 powers in addition to all others granted by [this act] P.L.1975,  
13 c.217 (C.52:27D-119 et seq.):

14 a. To adopt, amend and repeal, after consultation with the code  
15 advisory board, rules: (1) relating to the administration and  
16 enforcement of [this act] P.L.1975, c.217 (C.52:27D-119 et  
17 seq.) and (2) the qualifications or licensing, or both, of all persons  
18 employed by enforcing agencies of the State to enforce [this  
19 act] P.L.1975, c.217 (C.52:27D-119 et seq.) or the code, except  
20 that, plumbing inspectors shall be subject to the rules adopted by  
21 the commissioner only insofar as such rules are compatible with  
22 such rules and regulations, regarding health and plumbing for  
23 public and private buildings, as may be promulgated by the Public  
24 Health Council in accordance with Title 26 of the Revised Statutes.

25 b. To enter into agreements with federal and State of New Jersey  
26 agencies, after consultation with the code advisory board, to  
27 provide insofar as practicable (1) single-agency review of  
28 construction plans and inspection of construction and (2)  
29 intergovernmental acceptance of such review and inspection to  
30 avoid unnecessary duplication of effort and fees. The commissioner  
31 shall have the power to enter into such agreements although the  
32 federal standards are not identical with State standards; provided  
33 that the same basic objectives are met. The commissioner shall  
34 have the power through such agreements to bind the State of New  
35 Jersey and all governmental entities deriving authority therefrom.

36 c. To take testimony and hold hearings relating to any aspect of  
37 or matter relating to the administration or enforcement of [this  
38 act] P.L.1975, c.217 (C.52:27D-119 et seq.), including but not  
39 limited to prospective interpretation of the code so as to resolve  
40 inconsistent or conflicting code interpretations, and, in connection  
41 therewith, issue [subpena] subpoenas to compel the attendance of  
42 witnesses and the production of evidence. The commissioner may  
43 designate one or more hearing examiners to hold public hearings  
44 and report on such hearings to the commissioner.

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 this is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly ACD committee amendments adopted December 5, 2022.

1 d. To encourage, support or conduct, after consultation with the  
2 code advisory board, educational and training programs for  
3 employees, agents and inspectors of enforcing agencies, either  
4 through the Department of Community Affairs or in cooperation  
5 with other departments of State government, enforcing agencies,  
6 educational institutions, or associations of code officials.

7 e. To study the effect of [this act] P.L.1975, c.217 (C.52:27D-  
8 119 et seq.) and the code to ascertain their effect upon the cost of  
9 building construction and maintenance, and the effectiveness of  
10 their provisions for insuring the health, safety, and welfare of the  
11 people of the State of New Jersey.

12 f. To make, establish and amend, after consultation with the  
13 code advisory board, such rules as may be necessary, desirable or  
14 proper to carry out his powers and duties under [this act] P.L.1975,  
15 c.217 (C.52:27D-119 et seq.).

16 g. To adopt, amend, and repeal rules and regulations providing  
17 for the charging of and setting the amount of fees for the following  
18 code enforcement services, licenses or approvals performed or  
19 issued by the department, pursuant to the "State Uniform  
20 Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.):

21 (1) Plan review, construction permits, certificates of occupancy,  
22 demolition permits, moving of building permits, elevator permits  
23 and sign permits; and

24 (2) Review of applications for and the issuance of licenses  
25 certifying an individual's qualifications to act as a construction code  
26 official, subcode official or assistant under [this act] P.L.1975,  
27 c.217 (C.52:27D-119 et seq.).

28 (3) (Deleted by amendment, P.L.1983, c.338) '[.]'

29 h. To adopt, amend and repeal rules and regulations providing  
30 for the charging of and setting the amount of construction permit  
31 surcharge fees to be collected by the enforcing agency and remitted  
32 to the department to support those activities which may be  
33 undertaken with moneys credited to the Uniform Construction Code  
34 Revolving Fund.

35 i. To adopt, amend and repeal rules and regulations providing  
36 for:

37 (1) Setting the amount of and the charging of fees to be paid to  
38 the department by a private agency for the review of applications  
39 for and the issuance of approvals authorizing a private agency to act  
40 as an on-site inspection and plan review agency, a private on-site  
41 inspection agency, including a supplemental private on-site  
42 inspection agency, or an in-plant inspection agency;

43 (2) (Deleted by amendment, P.L.2005, c.212) '[.]'

44 (3) (Deleted by amendment, P.L.2005, c.212) '[.]'

45 j. To enforce and administer the provisions of the "State  
46 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119  
47 et seq.) and the code promulgated thereunder, and to prosecute or



1 cause to be prosecuted violators of the provisions of that act or the  
2 code promulgated thereunder in administrative hearings and in civil  
3 proceedings in State and local courts.

4 k. To monitor the compliance of local enforcing agencies with  
5 the provisions of the "State Uniform Construction Code Act,"  
6 P.L.1975, c.217 (C.52:27D-119 et seq.), to order corrective action ,  
7 or issue penalties, as may be necessary where a local enforcing  
8 agency is found to be failing to carry out its responsibilities under  
9 that act, to supplant or replace the local enforcing agency for a  
10 specific project, and to order it dissolved and replaced by the  
11 department where the local enforcing agency repeatedly or  
12 habitually fails to enforce the provisions of the "State Uniform  
13 Construction Code Act." This shall include the power to compel an  
14 enforcing agency to ' , within 15 business days,' notify the  
15 department of any instance where the enforcing agency is unable to  
16 meet a deadline or other obligation imposed by law or regulation,  
17 and the power to order corrective action or issue penalties as may  
18 be necessary where an enforcing agency is unable to meet its  
19 obligations under P.L.1975, c.217 (C.52:27D-119 et seq.).

20 l. To adopt, amend, and repeal rules and regulations  
21 implementing the provisions of P.L.1999, c.15, P.L.2003, c.44, and  
22 section 1 of P.L.2015, c.146 (C.52:27D-123f) concerning the  
23 installation and maintenance of carbon monoxide sensors.  
24 (cf: P.L.2015, c.146, s.2)

25  
26 2. Section 14 of P.L.1975, c.217 (C.52:27D-132) is amended to  
27 read as follows:

28 14. a. The enforcing agency shall periodically inspect all  
29 construction undertaken pursuant to a construction permit issued by  
30 it to ~~[insure]~~ ensure that the construction or alteration is performed  
31 in accordance with the conditions of the construction permit and  
32 consistent with the requirements of the code and any ordinance  
33 implementing said code.

34 b. The owner of any premises upon which a building or structure  
35 is being constructed shall be deemed to have consented to the  
36 inspection by the enforcing agency and the department, of the entire  
37 premises and of any and all construction being performed on it until  
38 a certificate of occupancy has been issued. An inspector, or team of  
39 inspectors, on presentation of proper credentials, shall have the  
40 right to enter and inspect such premises, and any and all  
41 construction thereon, for purposes of ensuring compliance with the  
42 provisions of the applicable construction permit, the code, and other  
43 applicable laws and regulations. All inspection pursuant to ~~[this~~  
44 ~~act]~~ P.L.1975, c.217 (C.52:27D-119 et seq.) shall be between the  
45 hours of 9 a.m. and 5 p.m. on business days or at another time that  
46 has been agreed upon by the owner and the relevant inspecting  
47 entity, whether the enforcing agency, department, or private on-site  
48 inspection agency, or when construction is actually being

1 undertaken, provided, however, that inspections may be conducted  
2 at other times if the enforcing agency has reasonable cause to  
3 believe that an immediate danger to life, limb or property exists, or  
4 if permission is given by an owner, or [his] the owner's agent,  
5 architect, engineer or builder. No person shall accompany an  
6 inspector or team of inspectors on any inspection pursuant to [this  
7 act] P.L.1975, c.217 (C.52:27D-119 et seq.), unless [his] the  
8 person's presence is necessary for the enforcement of [this  
9 act] P.L.1975, c.217 (C.52:27D-119 et seq.), or the code, or unless  
10 consent is given by an owner or [his] the owner's agent, architect,  
11 engineer or builder.

12 c. If the construction of a structure or building is being  
13 undertaken contrary to the provisions of a construction permit, [this  
14 act] P.L.1975, c.217 (C.52:27D-119 et seq.), the code, or other  
15 applicable laws or ordinances, the enforcing agency may issue a  
16 stop construction order in writing which shall state the conditions  
17 upon which construction may be resumed and which shall be given  
18 to the owner or the holder of the construction permit or to the  
19 person performing the construction. If the person doing the  
20 construction is not known, or cannot be located with reasonable  
21 effort, the notice may be delivered to the person in charge of, or  
22 apparently in charge of, the construction. No person shall continue,  
23 or cause or allow to be continued, the construction of a building or  
24 structure in violation of a stop construction order, except with the  
25 permission of the enforcing agency to abate a dangerous condition  
26 or remove a violation, or except by court order. If an order to stop  
27 construction is not obeyed, the enforcing agency may apply to the  
28 appropriate court as otherwise established by law for an order  
29 enjoining the violation of the stop construction order. The remedy  
30 for violation of such an order provided in this subsection shall be in  
31 addition to, and not in limitation of, any other remedies provided by  
32 law or ordinance.

33 d. When an inspector or team of inspectors finds a violation of  
34 the provisions of a construction permit, the code, or other applicable  
35 laws and regulations at an owner-occupied single-family residence,  
36 and issues a notice of violation and an order to terminate the  
37 violation, the enforcing agency shall require the same inspector or  
38 team of inspectors who found the violation to undertake any  
39 subsequent reinspection thereof at the premises. When the same  
40 inspector or team of inspectors cannot be assigned to undertake the  
41 reinspection, the enforcing agency may assign an available  
42 inspector provided the scope of the reinspection shall be limited to  
43 the violation for which the reinspection is required. The  
44 requirements of this subsection shall not apply to violations of the  
45 plumbing or electrical subcodes, or to fire safety code violations, or  
46 to any violation of any other subcode that the Department of  
47 Community Affairs determines to be a health or safety

1 violation. Nothing in this subsection shall be construed to infringe  
2 upon the right of a property owner to request a different inspector,  
3 team of inspectors, or supervisor, to perform any required  
4 reinspection.

5 e. The owner, agent, or other responsible person in charge of  
6 work shall notify the enforcing agency when the work is ready for  
7 any required inspection under the code. This notice shall be given  
8 in writing at least 24 hours prior to the date and time requested for  
9 the inspection. The enforcing agency shall perform an inspection  
10 within three business days of the date for which the inspection is  
11 requested. The owner, agent, or other responsible person in charge  
12 of work may provide oral notice for inspections of minor work  
13 projects, as defined by the code.

14 (1) The owner, agent, or other responsible person in charge of  
15 work shall be present and prepared at the time of any inspection that  
16 has been scheduled upon the owner, agent, or other responsible  
17 person's request. A failure by the owner, agent, or other  
18 responsible person in charge of work to be present and prepared for  
19 '[such]' inspection shall be considered a failed inspection.

20 (2) If the enforcing agency is unable to perform a requested  
21 inspection within three business days of the date for which the  
22 inspection is requested, the enforcing agency shall inform the  
23 owner, agent, or other responsible person in charge of work in  
24 writing within 24 hours of receiving the request, at which time the  
25 enforcing agency and the owner, agent, or other responsible person  
26 in charge of work may agree to a different date and time for  
27 inspection. The enforcing agency shall commit the agreed upon  
28 inspection date to writing and provide a copy to the owner, agent, or  
29 other responsible person in charge of work.

30 (3) If the enforcing agency is unable to perform the requested  
31 inspection within three business days of the date for which the  
32 inspection is requested and the enforcing agency and the owner,  
33 agent, or responsible person in charge of work are unable to come  
34 to an agreement pursuant to paragraph (2) of this subsection, the  
35 owner, agent, or other responsible person in charge of work may  
36 choose to contract with a private on-site inspection agency  
37 authorized by the department to conduct on-site inspections  
38 pursuant to paragraph i. of section 6 of P.L.1975, c.217 (C.52:27D-  
39 124) to perform the '[required] requested' inspection or  
40 inspections.

41 (a) The owner, agent, or other responsible person in charge of  
42 work shall notify the enforcing agency in writing of any choice to  
43 utilize an authorized private on-site inspection agency to conduct  
44 the '[required] requested' inspection or inspections.

45 (b) The owner, agent, or other responsible person in charge of  
46 work may elect to utilize the private on-site inspection agency to  
47 conduct all '[required] subsequent associated' inspections '[on

1 associated blocks and lots]'. In the event of a project with multiple  
2 units in one building, this '[authorization] provision' shall apply to  
3 '[all units encompassed in the project] the specific unit or units  
4 affected by the inspection delay'.

5 (c) The use of a private on-site inspection agency by an owner,  
6 agent, or other responsible person for on-site inspections shall be  
7 subject to the conflict-of-interest provisions in the code. In addition  
8 to those requirements, no private on-site inspection agency shall  
9 perform an inspection for any owner, agent, or other responsible  
10 person in charge of work, if an owner, agent, or other responsible  
11 person is currently employed by or affiliated with any individual  
12 affiliated with the private on-site inspection agency or has  
13 employed or was associated with an individual affiliated with the  
14 private on-site inspection agency within a timeframe established by  
15 the commissioner by regulation.

16 (d) The enforcing agency shall, if warranted, provide a fee  
17 reconciliation to the owner for an inspection completed by a private  
18 on-site inspection agency as a result of a missed inspection. The  
19 enforcing agency shall perform the reconciliation at the conclusion  
20 of the project. This reconciliation shall be based on the fees  
21 'already paid less administrative costs for the enforcing agency and  
22 shall not exceed the amount already paid for the project, nor shall it  
23 exceed the amount' that the enforcing agency is authorized to  
24 impose for inspections, and shall take into account the  
25 administrative costs of the enforcing agency.

26 '(4) If the owner, agent, or other responsible person in charge of  
27 work believes an enforcing agency has demonstrated a repeated  
28 inability to conduct inspections for a construction project within the  
29 timelines required by this section, as established by the  
30 commissioner by regulation, the owner, agent, or other responsible  
31 person in charge of work may notify the department in writing to  
32 request authorization to utilize an authorized private on-site  
33 inspection agency. Within 15 business days of receiving a  
34 notification under this paragraph, the department shall determine  
35 whether the enforcing agency has demonstrated repeated inability,  
36 and, if the department determines, shall authorize the owner, agent,  
37 or other responsible person in charge of work to utilize an  
38 authorized private on-site inspection agency for all or a portion of  
39 the necessary inspections for the remainder of the project.'

40 f. Each enforcing agency shall establish a process for ensuring  
41 inspections are performed within three business days of a requested  
42 inspection date, as required by subsection e. of this section.  
43 Authorized processes include, but are not limited to, the use of  
44 supplemental shared services agreements with other municipalities  
45 or enforcing agencies or the use of contracted private on-site  
46 inspection agencies, including supplemental private on-site  
47 inspection agencies '[,]'.

1       g. '[In accordance with the "Administrative Procedure Act,"  
2 P.L.1968, c.410 (C.52:14B-1 et seq.), the commissioner shall adopt  
3 rules and regulations to effectuate the provisions of P.L. \_\_\_\_\_,  
4 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill), including  
5 rules which provide for: the use of supplemental shared services  
6 agreements, the authorization of private on-site inspection agencies  
7 by the department to conduct on-site inspections, and the use of  
8 private on-site inspection agencies by municipalities and enforcing  
9 agencies. In addition to the activity described in subparagraph (b)  
10 of paragraph (3) of subsection e. of this section, the rules and  
11 regulations shall allow an enforcing agency to:

12       (1) enter into supplemental shared service agreements or  
13 contracts with a supplemental private on-site inspection agency to  
14 conduct on-site inspections for the purpose of meeting all required  
15 inspection timeframes;

16       (2) enter into agreements with private on-site inspection  
17 agencies to conduct on-site inspections on a project-specific basis;  
18 and

19       (3) authorize the owner, agent, or other authorized person in  
20 charge of work to directly contract with an authorized private on-  
21 site inspection agency to perform all inspections on a project-  
22 specific basis.

23       h. '(1) At timeframes established by the commissioner by  
24 regulation, adopted in accordance with the "Administrative  
25 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the  
26 municipal construction official shall submit an annual report  
27 detailing compliance with the code. The report shall include, at a  
28 minimum information related to the staffing, staff titles, and  
29 expenses of the enforcing agency, in addition to any other  
30 information required by the commissioner. The annual report shall  
31 take into account projected work and agency resource needs for the  
32 next budget year.

33       (2) A municipality that enters into a contract for supplemental  
34 services '[utilized]' pursuant to subsection f. of this section shall  
35 provide a copy of the contract to the department upon entering into  
36 the contract.

37       (3) The information required by paragraphs (1) and (2) of this  
38 subsection, in addition to the inspection log, the municipal monthly  
39 activity reports, and the fee schedule shall be maintained by the  
40 municipal construction official or enforcing agency, and the  
41 municipal construction official or enforcing agency shall make the  
42 information and documents described in this paragraph available to  
43 the department upon request.

44       (4) The department may utilize the information provided  
45 pursuant to this subsection to determine appropriate staffing levels  
46 for the enforcing agency. If the department determines that an  
47 enforcing agency has not maintained appropriate staffing levels, the

1 department may require the municipality to take corrective actions  
2 to ensure that the enforcing agency's staffing needs are met.

3 (5) The department may take corrective action, including the  
4 issuance of penalties, pursuant to subsection k. of section 6 of  
5 P.L.1975, c.217 (C.52:27D-124), if '[a] an' enforcing agency fails  
6 to maintain or provide the information required by this subsection  
7 or maintain appropriate staffing levels, as determined by the  
8 department pursuant to paragraph (4) of this subsection.

9 '[i.] h.' If an enforcing agency is unable to meet its obligations  
10 under P.L.1975, c.217 (C.52:27D-119 et seq.), the enforcing agency  
11 shall promptly notify the department 'within 15 business days'.  
12 The department may take corrective action, including the issuance  
13 of penalties, pursuant to subsection k. of section 6 of P.L.1975,  
14 c.217 (C.52:27D-124) if an enforcing agency fails to meet its  
15 obligations under P.L.1975, c.217 (C.52:27D-119 et seq.).  
16 (cf: P.L.2007, c.149, s.1)

17  
18 3. Section 1 of P.L.1999, c.440 (C.40A:11-4.1) is amended to  
19 read as follows:

20 1. Notwithstanding the provisions of any law, rule, or  
21 regulation to the contrary, competitive contracting may be used by  
22 local contracting units in lieu of public bidding for procurement of  
23 specialized goods and services the price of which exceeds the bid  
24 threshold, for the following purposes:

25 a. The purchase or licensing of proprietary computer software  
26 designed for contracting unit purposes, which may include  
27 hardware intended for use with the proprietary software. This  
28 subsection shall not be utilized for the purpose of acquiring general  
29 purpose computer hardware or software;

30 b. The hiring of a for-profit entity or a not-for-profit entity  
31 incorporated under Title 15A of the New Jersey Statutes for the  
32 purpose of:

33 (1) the operation and management of a wastewater treatment  
34 system, a stormwater management system, or a water supply or  
35 distribution facility of the type described in subsection (37) of  
36 section 15 of P.L.1971, c.198 (C.40A:11-15), provided that  
37 competitive contracting shall not be used as a means of awarding  
38 contracts pursuant to P.L.1985, c.37 (C.58:26-1 et al.) and  
39 P.L.1985, c.72 (C.58:27-1 et al.);

40 (2) the operation, management or administration of recreation or  
41 social service facilities or programs, which shall not include the  
42 administration of benefits under the Work First New Jersey  
43 program established pursuant to P.L.1997, c.38 (C.44:10-55 et  
44 seq.), or under General Assistance;

45 (3) the operation, management or administration of data  
46 processing services; or

(4) the operation and management of a county hospital pursuant to the "Local Hospital Authority Law," P.L.2006, c.46 (C.30:9-23.15 et al.);

c. (Deleted by amendment, P.L.2009, c.4) 'I. ]'

d. Homemaker--home health services;

e. Laboratory testing services;

f. Emergency medical services;

g. Contracted food services;

h. Performance of patient care services by contracted medical staff at county hospitals, correctional facilities and long-term care facilities;

i. At the option of the governing body of the contracting unit, any good or service that is exempt from bidding pursuant to section 5 of P.L.1971, c.198 (C.40A:11-5);

j. Concessions;

k. The operation, management or administration of other services, with the approval of the Director of the Division of Local Government Services;

l. Maintenance, custodial, and groundskeeping services;

m. Consulting services;

n. Emergency medical billing services;

o. Property appraisal services;

p. Reassessment or revaluation services;

q. Grant writing services;

r. Animal control services ;

s. Private on-site inspection agency services, as may be authorized by rules and regulations adopted by the Department of Community Affairs.

Any purpose included herein shall not be considered by a contracting unit as an extraordinary unspecifiable service pursuant to subparagraph (ii) of paragraph (a) of subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5).

As used in this section, "stormwater management system" means the same as that term is defined in section 3 of P.L.2019, c.42 (C.40A:26B-3).  
(cf: P.L.2019, c.42, s.21)

4. (New section) In accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the commissioner shall propose within six months and adopt within nine months rules and regulations to effectuate the provisions of P.L. , c. (C. ) (pending before the Legislature as this bill), including rules that provide for: the use of supplemental shared services agreements; the authorization of private on-site inspection agencies by the department to conduct on-site inspections; and the use of private on-site inspection agencies by municipalities and enforcing agencies. In addition to the activity described in subparagraph (b) of paragraph (3) of subsection e. of section 14 of

1 P.L.1975, c.217 (C.52:27D-132), the rules and regulations shall  
2 allow an enforcing agency to:  
3 a. enter into a supplemental shared service agreement or  
4 contract with a supplemental private on-site inspection agency to  
5 conduct an on-site inspection for the purpose of meeting all  
6 required inspection timeframes;  
7 b. enter into an agreement with a private on-site inspection  
8 agencies to conduct an on-site inspection on a project-specific  
9 basis; and  
10 c. authorize the owner, agent, or other authorized person in  
11 charge of work to directly contract with an authorized private on-  
12 site inspection agency to perform all inspections on a project-  
13 specific basis.'  
14  
15 '[4] 5.' '[This] Sections 1 through 3 of this' act shall take  
16 effect '[On the first day of the fourth month next following the date  
17 of enactment, however, the commissioner shall immediately  
18 commence the process of promulgating rules and regulations to  
19 effectuate the provisions of this act] immediately upon the adoption  
20 of the rules and regulations by the Department of Community  
21 Affairs to effectuate the provisions of this act, provided, however,  
22 that the Department of Community Affairs shall take anticipatory  
23 action as necessary to prepare for the implementation of the  
24 provisions of this act. Section 4 of this act shall take effect  
25 immediately'.





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PHILIP D. MURPHY  
*Governor*

LT. GOVERNOR SHEILA Y. OLIVER  
*Commissioner*

## Departmental Memorandum

To: Construction Officials

From: Edward Smith, Director

Date: November 21, 2022

Re: Electronic Permit Processing Review System and other computer system changes

The Department will be promulgating rules that will affect the computer systems that local enforcing agency's use. The changes are due to new legislation as well as the ongoing evolution of the way data is collected and transmitted to the Department. To help enforcing agencies and the Department anticipate future needs, the Department is providing the following guidance.

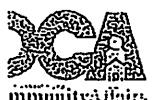
On April 30, 2021 the Legislature passed Assembly Bill A1145, approved as P.L. 2021, c.70 which required the Department to develop the "Electronic Permit Processing Review System", referred to as NJePermits hereafter. The Law requires that the Department develop and implement a system that will allow for the electronic submission and approval of permit applications as well as the scheduling of inspections. It is not the intent of the Legislation to require that applications be made electronically, but rather that every UCC permit applicant in New Jersey shall have the option of applying for that permit online. The Department is in the process of drafting regulations to implement the law, and anticipates implementation sometime during the summer of 2023. Upon adoption of the regulations, all enforcing agencies will be required to have a system to accept and process permits electronically. The Department is issuing this notice so that local enforcing agencies will have ample time to prepare for the necessary changes to its computer system.

Municipalities have the option of utilizing the system the Department is developing. The Department will provide the software to the applicant, pay the associated licensing fees and provide training on the system. In this case there is no action that the municipality needs to take now. Alternatively, local enforcing agencies can choose to use some other system that is equivalent in function to the NJePermits system being developed by the Department. In these cases, enforcing agencies may want to begin to think about how they will implement such a system.

The Law contains some specific provisions for the function of the system. The Law requires that the system have the following features:

1. The system must allow applicants to electronically submit all necessary materials necessary for the permit application review, including all application forms, documents, and plans. Electronic plans and other supporting documents are permitted to be electronically signed and sealed.

2. The system must allow applicants to electronically request inspections.



3. The system must provide 24 hour a day seven days a week system availability for submission of documents and requests.

In addition to the above parameters, the Department is required to adopt regulations, as to the form and format of the electronic forms to be submitted through NJePermits and by extension any acceptable alternative used by a local enforcing agency. The Department is still working with its development team on some of the details related to the specific form and format requirements that will be required. However, the Department anticipates that these requirements will be very similar to the current "ePlans" provisions found on the Departments website which currently accepts PDF files as the predominant file format.

Municipalities that wish to utilize an NJePermits equivalent system before the regulations are passed may do so with the following provisions:

1. Applicants must still have the option of submitting paper plans.
2. The Municipality may accept electronic signatures and seals on plans and other documents submitted through the system.
3. The Municipality can consider the cost of the system as part of the cost of running the construction office in its general budget and fee schedule but may not collect a separate surcharge for the use of such system.
4. Upon the launch of the Department NJePermits system the municipality must make any necessary changes to make the system at least as functional as the Department's system.
5. Where a municipality contracts with a private agency for UCC enforcement, and the use of such a system will require that the private agency will incur costs, such costs are required to be included in the bid specifications, and any executed contract.

With the implementation of the Law, all local enforcing agencies will have to upgrade their computer capabilities to an extent that electronic reporting of permit activity should be feasible. Therefore, included with the proposed rules to enact the NJePermits system, the Department anticipates eliminating paper reporting of construction activity and require that all information be reported electronically. In addition, Municipalities should be aware of the requirements for the NJePermits system. NJePermits is being configured to run on any computer which can run Windows 10 or 11, with either the Edge or Chrome browsers. For electronic plan review, officials will find a high resolution monitor of 30" or more, very useful.

The Department had previously announced the retirement of the PermitsNJ system. The retirement was suspended as a result of the Covid-19 State of Emergency. The new retirement date will coincide with the implementation of the NJePermits system. With the requirements of P.L. 2021, c.70 requiring new software, NJePermits will now be the replacement for PermitsNJ, and will incorporate all of the requirements of the new law as well as permit activity reporting. All local enforcing agencies will be eligible to enroll in NJePermits.

In order to forecast the number of licenses that the Department will need to provide, the Department is asking that municipalities who anticipate using the NJePermits notify the Department. The notification should be made via email and include the anticipated number of licenses. A license will be needed for each person who will be required to access the system for the processing of the permit.

Notifications can be sent to [njepermits@dca.nj.gov](mailto:njepermits@dca.nj.gov). The Department is requesting that such notifications be made by January 4, 2023.

If a municipality elects not to utilize NJePermits, it may acquire, or continue to use any other systems that meet the requirements in P.L. 2021, c.70 and the current permit activity reporting requirements. Note that there may be changes forthcoming in the data interchange requirements, and the format of the current 181 bytes data file may be modified. In addition, there is the potential that additional information may be added to the data format, and there may be a need to provide for two-way data interchange.

A clearer picture of the timeline with respect to NJePermits, and the specific requirements under the law will be determined once the regulatory changes are proposed and adopted. Interested parties may review the regulatory proposal when it is published in the New Jersey Register, there is a 60-day public comment period. Notice will be posted on this website:  
[https://www.nj.gov/dca/divisions/codes/codreg/rule\\_proposals\\_adoptions.html](https://www.nj.gov/dca/divisions/codes/codreg/rule_proposals_adoptions.html)