

[Second Reprint]

ASSEMBLY, No. 5264

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED FEBRUARY 10, 2025

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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 amended on November 24, 2025 by the General Assembly pursuant to the Governor's recommendations.

(Sponsorship Updated As Of: 12/8/2025)

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 ¹**[are]** is¹
13 an 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 in
16 the country, imposing significant financial burdens upon New Jersey
17 residents, and thereby exacerbating the State's housing affordability
18 crisis.

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

22 e. Vestiges of outdated, overly bureaucratic permitting
23 requirements for installation of solar energy systems within New
24 Jersey cause residents to significantly delay installation efforts and
25 significantly increase costs incurred in installing residential solar
26 energy storage systems across the ¹**[state]** State¹.

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

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

33 h. The installation costs for a residential solar energy system in the
34 United States ¹**[is]** are¹ approximately double the installation costs in
35 Europe, largely because Europe has virtually eliminated permitting
36 and other bureaucratic barriers.

37 i. Approximately one-in-five residential solar energy installation
38 projects are cancelled after submission of an application for a permit
39 which, according to solar energy system installers, is largely a direct
40 result of frustration experienced in attempting to maneuver through
41 New Jersey's permitting ¹**[process]** processes¹.

42 j. It has been reported that contractors who are in the business of
43 installing residential solar energy systems and home batteries within

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted May 15, 2025.

²Assembly amendments adopted in accordance with Governor's
recommendations

November 24, 2025.

1 New Jersey avoid entering into contracts to install systems within
2 municipalities that impose especially burdensome permitting
3 requirements ¹and processes¹.

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

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

12 m. Automated permitting has the potential to reduce the costs of
13 ¹residential¹ solar ¹energy systems¹, reduce installation timelines, and
14 reduce cancellations, all of which will enable more families to install
15 solar on their roofs and batteries in their garages.

16

17 2. a. As used in this section:

18 "Department" means the Department of Community Affairs.

19 "Enforcing agency" means the municipal or county construction
20 official and subcode officials provided for in section 8 of P.L.1975,
21 c.217 (C.52:27D-126), or section 1 of P.L.2018, c.157 (C.52:27D-
22 126.8) regarding a pilot county in the "County Code Enforcement
23 Pilot Program," and assistants thereto.

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

30 "State Smart Solar Permitting Platform" means an Internet-based
31 platform that, ²**[consistent with]** uses² the "State Uniform
32 Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.),
33 ²to conduct a compliance review,² automates plan review,
34 ²**[produces a]** issues approval for only² code-compliant
35 ²**[approval]** plans², and instantly releases a permit or permit
36 revision ²**[in response to]** upon² the receipt of ²**[an acceptable]** a
37 code-compliant² application to construct a residential solar energy
38 system.

39 b. (1) The Commissioner of Community Affairs shall establish,
40 develop, implement, and administer the State Smart Solar
41 Permitting Platform for the purpose of automatically performing
42 plan review of applications to construct a residential solar energy
43 system, and to instantly release a permit or permit revision to
44 construct a code-compliant residential solar energy system. The
45 commissioner shall fully implement the State Smart Solar
46 Permitting Platform so that the platform is available for use by the
47 department, enforcing agencies, and contractors prior to the first

- 1 day of the ²[12th] 18th² month next following the date of
2 enactment of P.L. , c. (C.) (pending before the Legislature
3 as this bill).
- 4 (2) ¹[An application to construct a residential solar energy
5 system submitted pursuant to this section shall include an
6 application to construct a residential solar energy storage system
7 and to also perform a main electric panel upgrade, a main breaker
8 derate, or both, as prescribed by the department.
- 9 (3)]¹ The State Smart Solar Permitting Platform shall:
- 10 (a) perform robust code compliance checks using algorithms to
11 evaluate characteristics of the proposed residential solar energy
12 system ¹[, as provided by a qualified contractor or subcontractor
13 with an electrical contractor's license, or the contractor's or
14 subcontractor's representative,]¹ to determine whether the proposed
15 system aligns with the requirements of the State Uniform
16 Construction Code;
- 17 (b) ²[produce] issues approval for only code-compliant²
18 construction documents to be used for the inspection of a residential
19 solar energy system and for recordkeeping purposes consistent with
20 the requirements of the State Uniform Construction Code;
- 21 (c) instantly release permits and permit revisions to construct a
22 residential solar energy system ²only upon automated confirmation
23 that the permit application was submitted by a licensed contractor,
24 licensed architect, or licensed engineer and that accompanying
25 materials, including, but not limited to, plans and computations,
26 were prepared by licensed individuals as required under relevant
27 law or regulation, including licensed architects, licensed
28 contractors, or licensed engineers, where required and as applicable,
29 and are² consistent with the requirements of the State Uniform
30 Construction Code;
- 31 (d) be designed to process permit applications for, at a
32 minimum, approximately 75 percent of residential rooftop solar
33 energy systems that: weigh less than or are equal to four pounds per
34 square foot, ¹provide electrical power to detached one- and two-
35 family dwellings,¹ and comply with State Uniform Construction
36 Code requirements for installation on an existing residential
37 structure;
- 38 (e) provide users with the ability to submit an application to
39 construct a residential solar energy system 24 hours a day, except
40 when the platform is down for an upgrade or maintenance;
- 41 (f) be provided to the department at no-cost or low-cost if a third
42 party provides, or third parties provide, the State Smart Solar
43 Permitting Platform to the department; ¹[and]¹
- 44 (g) allow the use of ²[electronic] digital² signatures ², stamps,
45 seals, or certifications² on all applications and submitted materials
46 necessary for issuance of a permit ¹;

- 1 (h) provide customer service to assist users navigating the
2 platform; ²[and]²
- 3 (i) be able to process permit applications for residential solar
4 energy systems and associated equipment including, but not
5 necessarily limited to, photovoltaic panels, energy storage systems,
6 main electrical panel upgrades, and main breaker derates^{1 2}; and
- 7 (j) be able to make updates as necessary to conform with
8 changes to the State Uniform Construction Code or other applicable
9 State law².
- 10 c. (1) The commissioner's implementation of the State Smart
11 Solar Permitting Platform shall provide access to the platform, and
12 facilitate use of the platform, by the department, local enforcing
13 agencies, private agencies that provide plan review and inspection
14 services, and contractors engaged in the installation of residential
15 solar energy systems.
- 16 (2) (a) Within ²[one year] 18 months² following the effective
17 date of P.L. , c. (C.) (pending before the Legislature as this
18 bill), the commissioner shall implement the State Smart Solar
19 Permitting Platform and provide for its use by the department,
20 enforcing agencies, and contractors.
- 21 (b) A local enforcing agency shall either allow for the
22 submission of applications to construct a residential solar energy
23 system through the State Smart Solar Permitting Platform or
24 through an alternative automated solar permitting platform that
25 satisfies the requirements set forth in subsection ¹[a.] b.¹ of this
26 section in an equivalent manner as the State Smart Solar Permitting
27 Platform implemented by the department. A local enforcing agency
28 that implements an alternative automated solar permitting platform
29 shall enable access to the alternative platform prior to the first day
30 of the ²[18th] 24th² month next following the effective date of
31 P.L. , c. (C.) (pending before the Legislature as this bill).
32 A local enforcing agency that implements an alternative automated
33 solar permitting platform shall not require an applicant to submit
34 documentation that is not required through the State Smart Solar
35 Permitting Platform.
- 36 ¹(c) A local enforcing agency that allows for the submission of
37 residential solar energy system applications through the State Smart
38 Solar Permitting Platform shall, within two years following the
39 effective date of P.L. , c. (C.) (pending before the
40 Legislature as this bill), revise its permitting fee schedule to reflect
41 ²[the] any² reduction in resources expended to permit residential
42 solar energy systems. ²[The local enforcing agency shall maintain
43 this revision in future fee schedules.]¹²
- 44 d. (1) A local enforcing agency that does not allow for the
45 submission of applications to construct a residential solar energy
46 system through the State Smart Solar Permitting Platform shall
47 submit a compliance report to the department within 60 days of the

1 local enforcing agency's implementation of an alternative
2 automated solar permitting platform. The department may establish
3 guidelines for submission of a local compliance report. A local
4 compliance report shall include, but may not be limited to:

- 5 (a) the date of compliance;
- 6 (b) the software used for compliance;
- 7 (c) documentation demonstrating that the alternative automated
8 solar permitting platform implemented by the local enforcing
9 agency satisfies the requirements set forth in subsection ¹**[a.] b.**¹ of
10 this section in an equivalent manner as the platform implemented by
11 the department.

12 (2) If the department determines that documentation submitted
13 with a local compliance report pursuant to subparagraph (c) of
14 paragraph (1) of this subsection is insufficient to verify that the
15 platform satisfies the requirements set forth in subsection ¹**[a.] b.**¹
16 of this section in an equivalent manner as the platform implemented
17 by the department, the local enforcing agency shall provide the
18 department, at the department's request, access to the platform.

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

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

27 (a) the number of permits released by the enforcing agency for
28 residential solar energy systems through the alternative automated
29 solar permitting platform and relevant characteristics of those
30 systems;

31 (b) the number of permits released by the enforcing agency for
32 residential solar energy systems through means other than the
33 alternative automated solar permitting platform and relevant
34 characteristics of those systems;

35 (c) documentation demonstrating that the alternative automated
36 solar permitting platform satisfies the requirements set forth in
37 subsection ¹**[a.] b.**¹ of this section in an equivalent manner as the
38 platform implemented by the department.

39 (2) If the department determines that documentation submitted
40 pursuant to subparagraph (c) of paragraph (1) of this subsection is
41 insufficient to verify that the alternative automated solar permitting
42 platform meets the requirements set forth in subsection ¹**[a.] b.**¹ of
43 this section in an equivalent manner as the platform implemented by
44 the department, the local enforcing agency shall provide the
45 department, at the department's request, access to the platform.

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

1 f. ¹[(1)]¹ If the department determines that a local enforcing
2 agency has failed to allow for the submission of applications to
3 construct a residential solar energy system through either the State
4 Smart Solar Permitting Platform or through an alternative
5 automated solar permitting platform as required pursuant to this
6 section ¹or is otherwise not in compliance with this section¹, the
7 department ¹[shall impose a penalty upon, and collect penalty
8 amounts from, the local enforcing agency. The department shall
9 adopt a penalty schedule to set the penalty amounts and shall
10 allocate all monies collected from penalties to the Low Income
11 Home Energy Assistance Program as administered in the State and
12 established pursuant to 42 U.S.C. s.8621 et seq.

13 (2) The department¹ may, in its sole discretion, condition or
14 deny direct funding to a local unit from any program it administers
15 ¹[if the department determines that the local unit's enforcing
16 agency is not in compliance with this section]¹.

17 g. The commissioner shall provide training opportunities on the
18 use of the State Smart Solar Permitting Platform for employees of
19 local enforcing agencies.

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

26 i. The department ¹[may waive State Uniform Construction
27 Code requirements in order to release a permit for a residential solar
28 energy system through the State Smart Solar Permitting Platform]
29 shall waive requirements related to ²physical² signatures, stamps,
30 seals, certifications, or notarization imposed by statute, ordinance or
31 rules of the department, or another department or agency, in order
32 for the State Smart Solar Permitting Platform to accept the permit
33 application and release the permit¹ ²as long as the permit
34 application contains a digital signature, stamp, seal, or
35 certification².

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

43 k. A person exchanging information through either the State
44 Smart Solar Permitting Platform or through an alternative
45 automated solar permitting platform in a form and format
46 acceptable to the department shall not be subject to a licensing
47 sanction, civil penalty, fine, permit disapproval, revocation, or other

1 sanction for failure to comply with a form or format requirement
2 imposed by statute, ordinance, or rule that requires submission of
3 the information in physical form, including but not limited to any
4 requirement that the information be in a particular form or of a
5 particular size, be submitted with multiple copies, be physically
6 attached to another document, be an original document, or be
7 signed, stamped, sealed, certified, or notarized.

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

12 ²m. The Department of Community Affairs, in consultation with
13 the Board of Public Utilities and the Office of Innovation or
14 successor agency, shall issue a request for the development of the
15 State Smart Solar Permitting Platform consistent with the
16 requirements of subsection b. of this section. In addition to any
17 other requirements that the Department of Community Affairs may
18 deem appropriate, the request for proposal shall:

19 (1) incorporate the standards developed pursuant to subsection
20 b. of this section; and

21 (2) require all bidders to demonstrate experience in the
22 development of one or more Internet-based automated permit
23 review platforms.²

24

25 3. This act shall take effect immediately.