ASSEMBLY OVERSIGHT, REFORM AND FEDERAL RELATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1505

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 16, 2026

The Assembly Oversight, Reform and Federal Relations Committee reports favorably and with committee amendments Assembly Bill No. 1505.

As amended and reported by the committee, this bill would make various changes to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and other laws that supplement that act, in order to alter the procedures State agencies are required to follow when they adopt rules and regulations to implement State and federal laws. The bill would also provide for the payment of attorney's fees in certain circumstances when the head of an agency rejects or modifies the recommended report and decision of an administrative law judge and the decision is overturned by a court.

Specifically, the bill would require State agencies to make available for public viewing on the agency's website (1) all public comments received related to each rule proposal issued by the agency, and (2) all data sets and other information that were used by the agency to formulate the proposed rule. The bill would also require that each rule proposal be directed toward a single subject, prohibiting agencies from bundling together unrelated rule proposals.

The bill would extend the public comment period for rule proposals from 30 days to 60 days. The bill would also require that the socio-economic impact statement for rule proposals include estimates, in dollars, of the proposed rule's effect on annual expenditures by the State, municipalities, businesses, and residents.

The bill would provide that, if 50 or more commenters request a 30-day extension to the public comment period or a public hearing for a proposed rule, this would constitute "sufficient public interest" for the purposes of section 4 of P.L.1968, c.410 (C.52:14B-4) and the agency proposing the rule would be required to grant the extension or hold a public hearing, as applicable. In addition, the bill would require State agencies to hold a public hearing on a rule proposal if the proposal is estimated to involve a substantive increase in expenditures by the State, municipalities, businesses, or residents. The bill would direct each State agency to formulate standards for what constitutes a

"substantive increase in expenditures," but would establish a minimum threshold of $50 million in a calendar year.

In addition, the bill would require State agencies to, except for a rule-making that does not involve any substantive changes to existing regulations or a rule-making involving an imminent peril as provided for in current law, file a pre-proposal notice of intent for each contemplated rule-making at least 30 days prior to issuing a formal notice of a rule-making proposal action. Under current law, agencies are authorized, but not required, to file a notice of intent. The notice is required to include a statement of either the terms or substance of the intended action or a description of the subjects and issues involved and will provide sufficient detail of the rule-making to allow interested parties to identify potential impacts of the proposal, including the need for the rule-making statutory authority to be relied upon, and a preliminary impact analysis provided pursuant to current law. The agency would be required to establish the time when, the place where, and the manner in which interested persons may present their views on the contemplated rule-making. The bill would also require agencies to review and respond to petitions that claim that one of the agency's rules is in conflict or inconsistent with another State or federal rule. Similarly, the bill would require State agencies to analyze their rules to verify that they do not conflict with other State and federal rules, prior to readopting them.

The bill would require the Office of Administrative Law (OAL) to include all public comments received, and all data and other information used, for each rule-making action in its online database of rule-making actions. The bill would also explicitly require State agencies to provide all necessary information to the OAL for the development of the online database.

Finally, the bill would provide that, whenever the head of the agency rejects or modifies the recommended report and decision of an administrative law judge pursuant to subsection (c) of section 10 of P.L.1968, c.410 (C.52:14B-10), and the modification or rejection is subsequently overturned by judicial review, the agency would be liable for the plaintiff's attorneys' fees incurred in the court challenge to the final agency decision.

This bill was pre-filed for introduction in the 2026-2027 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to clarify that each rule-making action will be directed towards a single subject. The amendments also remove the requirement that a consideration of alternatives to a rule proposal be included in the information to be prepared by a State agency for public distribution at the time the notice appears in the Register and for public viewing through publication on the agency’s

Internet website. The amendments also remove the requirement for a request to be made to an agency within 60 days following publication of the proposed rule in the Register in order for an agency to conduct a public hearing on the proposed rule, and reverts to the time frame of 30 days as provided in current law.

The amendments require State agencies to, except for a rule-making that does not involve any substantive changes to existing regulations or a rule-making involving an imminent peril as provided for in current law, file a pre-proposal notice of intent for each contemplated rule-making at least 30 days prior to issuing a formal notice of a rule-making proposal action. The amendments also require the pre-proposal notice to provide sufficient detail of the rule-making to allow interested parties to identify potential impacts of the proposal, including the need for the rule-making statutory authority to be relied upon, and a preliminary impact analysis provided pursuant to current law. Additionally, the amendments require State agencies to provide all interested persons a reasonable opportunity to submit elements of impact analyses to be assessed, orally or in writing, on the proposed action.

Additionally, the amendments remove the requirement that the Office of Administrative Law make daily updates to the database established pursuant to current law, and reverts to the time frame of regular and timely updates as provided in current law. The amendments also make technical changes.