

52:270-124

**LEGISLATIVE HISTORY CHECKLIST**  
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(Uniform construction code--  
inspection fees)

**NJSA:** 52:27D-124

**LAWS OF:** 1993 **CHAPTER:** 47

**BILL NO:** S1227

**SPONSOR(S)** Smith and Scott

**DATE INTRODUCED:** October 5, 1992

**COMMITTEE:** **ASSEMBLY:** Housing  
**SENATE:** Community Affairs

**AMENDED DURING PASSAGE:** No

**DATE OF PASSAGE:** **ASSEMBLY:** February 8, 1993  
**SENATE:** November 30, 1992

**DATE OF APPROVAL:** February 18, 1993

**FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:**

**SPONSOR STATEMENT:** Yes

**COMMITTEE STATEMENT:** **ASSEMBLY:** Yes  
**SENATE:** Yes

**FISCAL NOTE:** No

**VETO MESSAGE:** No

**MESSAGE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

**REPORTS:** No

**HEARINGS:** No

KBG:pp

P.L.1993, CHAPTER 47, approved February 18, 1993

1992 Senate No. 1227

1 **AN ACT** concerning inspection and plan review fees charged by  
2 private inspection agencies and amending P.L.1975, c.217.

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

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

8 6. The commissioner shall have all the powers necessary or  
9 convenient to effectuate the purposes of this act, including, but  
10 not limited to, the following powers in addition to all others  
11 granted by this act:

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

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

34 c. To take testimony and hold hearings relating to any aspect  
35 of or matter relating to the administration or enforcement of this  
36 act, including but not limited to prospective interpretation of the  
37 code so as to resolve inconsistent or conflicting code  
38 interpretations, and, in connection therewith, issue subpoenas to  
39 compel the attendance of witnesses and the production of  
40 evidence. The commissioner may designate one or more hearing  
41 examiners to hold public hearings and report on such hearings to  
42 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 thus is new matter.

1 d. To encourage, support or conduct, after consultation with  
2 the 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 and the code to ascertain  
8 their effect upon the cost of building construction and  
9 maintenance, and the effectiveness of their provisions for  
10 insuring the health, safety, and welfare of the people of the State  
11 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.

15 g. To adopt, amend, and repeal rules and regulations providing  
16 for the charging of and setting the amount of fees for the  
17 following code enforcement services, licenses or approvals  
18 performed or issued by the department, pursuant to the "State  
19 Uniform Construction Code Act:"

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

23 (2) Review of applications for and the issuance of licenses  
24 certifying an individual's qualifications to act as a construction  
25 code official, subcode official or assistant under this act.

26 (3) (Deleted by amendment, P.L.1983, c.338).

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

33 i. To adopt, amend and repeal rules and regulations providing  
34 for:

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

40 (2) The setting of the amounts of fees to be charged by a  
41 private agency for inspection and plan review services; provided,  
42 however, that such fees shall [be identical to] not be more than  
43 those adopted and charged by the department when it serves as a  
44 local enforcement agency pursuant to section 10 of P.L.1975,  
45 c.217 (C.52:27D-128); and

46 (3) The formulation of standards to be observed by a  
47 municipality in the evaluation of a proposal submitted by a  
48 private agency to provide inspection or plan review services  
49 within a municipality.

50 j. To enforce and administer the provisions of the "State  
51 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119  
52 et seq.) and the code promulgated thereunder, and to prosecute or  
53 cause to be prosecuted violators of the provisions of that act or  
54 the code promulgated thereunder in administrative hearings and  
55 in civil proceedings in State and local courts.

1 k. To monitor the compliance of local enforcing agencies with  
2 the provisions of the "State Uniform Construction Code Act,"  
3 P.L.1975, c.217 (C.52:27D-119 et seq.), to order corrective action  
4 as may be necessary where a local enforcing agency is found to  
5 be failing to carry out its responsibilities under that act, to  
6 supplant or replace the local enforcing agency for a specific  
7 project, and to order it dissolved and replaced by the department  
8 where the local enforcing agency repeatedly or habitually fails to  
9 enforce the provisions of the "State Uniform Construction Code  
10 Act."

11 (cf: P.L.1985, c.21, s.1)

12 2. This act shall take effect immediately.  
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14

15 STATEMENT  
16

17 This bill amends the State Uniform Construction Code Act to  
18 eliminate the requirement that fees charged by private inspection  
19 agencies be identical to those charged by the Department of  
20 Community Affairs (DCA) when it is the enforcing agency. The  
21 bill limits the fees at the level charged by DCA.

22 Costs incurred by private inspection agencies and DCA are not  
23 the same. Therefore, private inspection agencies should be  
24 permitted to compete with DCA by charging lower fees. In  
25 addition, the higher fees for private inspection agencies have not  
26 necessarily benefitted the private agencies because of the lack of  
27 competition.

28 While private agency fees should be subject to regulation in  
29 order to prevent price-cutting at the expense of quality, the  
30 determination of fair and reasonable rates for private agencies  
31 should be a matter separate from the charging of fees necessary  
32 to cover the department's costs.  
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37 Eliminates requirement that private agency inspection and plan  
38 review fees be identical to DCA's under Uniform Construction  
39 Code.

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39 Code.

**ASSEMBLY HOUSING COMMITTEE**

**STATEMENT TO**

**SENATE, No. 1227**

**STATE OF NEW JERSEY**

**DATED: JANUARY 11, 1993**

The Assembly Housing Committee reports Senate Bill No. 1227 favorably.

The bill eliminates the requirement that fees charged by private inspection agencies for inspections under the State Uniform Construction Code be identical to those charged by the Department of Community Affairs (DCA) when it is acting as the local enforcement inspecting agency. Under the bill, private inspection agencies may charge less, but not more than, the fees charged by DCA. This will permit private inspection agencies to compete with DCA by charging lower fees. Local enforcing agencies will remain responsible for full compliance with the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.) for inspections carried out by private agencies with which they have contracted.

This bill is identical to Assembly, No. 1838 of 1992.

**SENATE COMMUNITY AFFAIRS COMMITTEE**

**STATEMENT TO**

**SENATE, No. 1227**

**STATE OF NEW JERSEY**

**DATED: NOVEMBER 16, 1992**

**The Senate Community Affairs Committee favorably reports Senate Bill No. 1227.**

**Senate Bill No. 1227 amends the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.) to eliminate the requirement that fees charged by private inspection agencies be identical to those charged by the Department of Community Affairs (DCA) when it is the enforcing agency. The bill, instead, caps those fees at the level charged by DCA.**