

52:14B-26

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2011 **CHAPTER:** 34

NJSA: 52:14B-26 (Streamlines process for State and local agency business permits related to economic development projects)

BILL NO: A2853 (Substituted for S6)

SPONSOR(S) Burzichelli and others

DATE INTRODUCED: June 10, 2010

COMMITTEE: **ASSEMBLY:** Budget

SENATE: ---

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** January 10, 2011

SENATE: January 10, 2011

DATE OF APPROVAL: March 1, 2011

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First reprint enacted)

A2853

SPONSOR'S STATEMENT: (Begins on page 3 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

S6/S1914

SPONSOR'S STATEMENT S6: (Begins on page 3 of original bill) Yes

SPONSOR'S STATEMENT S1914: (Begins on page 3 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

(continued)

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

LAW/RWH

P.L.2011, CHAPTER 34, *approved March 1, 2011*
Assembly, No. 2853 (*First Reprint*)

1 AN ACT concerning State and local agency business permits related
2 to economic development projects and supplementing Title 52 of
3 the Revised Statutes.

4

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

7

8 1. As used in this act:

9 "Local agency" means any department of a political subdivision
10 of this State, or any division, office, agency, or bureau thereof that
11 issues a permit to a business.

12 "Permit" means a permit, license, certificate, registration,
13 compliance schedule, or any other form of permission or approval
14 required by law to be issued by a State agency in order to engage in
15 a business activity, or any other authorization related thereto,
16 whether that authorization is in the form of a permit, approval,
17 license, certification, waiver, letter of interpretation, agreement, or
18 any other executive or administrative decision which allows a
19 business to engage in an activity.

20 "State agency" means any New Jersey principal department or
21 any division, office, agency, or bureau thereof that issues a permit
22 to a business.

23

24 2. Consistent with the **'[objectives] requirements'**¹ of
25 applicable statutes, every State agency shall periodically review
26 those permits the State agency issues to identify permits that:

27 a. Can be administered through an expedited process, such as
28 **'[: (1)]'** developing procedures for the electronic submission of
29 permit applications **'[**, and (2) the issuance of a permit by rule
30 pursuant to which standards are established where a representative
31 of a business seeking or renewing a permit certifies that the
32 business is in compliance with such standards, and oversight is
33 achieved through inspections and audits **']'** ; **'[and] or'**¹

34 b. May be obsolete, are no longer necessary, or cost more to
35 administer than the benefits they provide, and thus should be
36 eliminated so long as the public health, safety, or general welfare is
37 not endangered.

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 ABU committee amendments adopted December 13, 2010.

1 'Each State agency shall provide notice to the Secretary of State
2 or other State officer or employee designated by the Governor
3 pursuant to section 3 of P.L. _____, c. _____ (C.) (pending before the
4 Legislature as this bill) of its identification of permits that can be
5 administered through an expedited process or may be obsolete, and
6 its actions taken or recommended to be taken to expedite permitting
7 and its actions taken or recommended to be taken to eliminate
8 obsolete permits.'
9

10 3. The '[Lieutenant Governor] Secretary of State or other
11 State officer or employee as the Governor may designate to manage
12 this program within the Department of State' shall develop a system
13 of consolidated and contemporaneous review of State and local
14 agency-issued business permits for the purpose of accelerating the
15 process of issuing business permits, eliminating redundancy among
16 different levels of State and local government, and ensuring more
17 consistency in permit issuance. 'This system shall be adopted by
18 rule pursuant to the "Administrative Procedure Act," P.L.1968
19 C.410 (C,52:14B-1 et seq.).' Under such system, any county or
20 municipality issuing a business permit shall be encouraged and
21 incentivized to voluntarily join in a collaborative effort to manage
22 the permitting process for a business project with any State agency,
23 as applicable to each project, and jointly agree on a process and
24 schedule for a cooperative and contemporaneous handling of
25 business permits and approvals. Any municipality issuing a
26 business permit or approval pursuant to the "Municipal Land Use
27 Law," P.L.1975, c.291 (C.40:55D-1 et seq.) shall not be subject to
28 the provisions of this act. 'A permit or approval related to a
29 federally-funded program or project or a permit or approval that is
30 specified or determined by or pursuant to federal law or regulation
31 shall not be subject to the provisions of this act.'
32

33 4. Concerning any large, complex project having a significant
34 potential employment or investment impact, the 'Secretary of State
35 or other State officer or employee designated by the Governor
36 pursuant to section 3 of P.L. _____, c. _____ (C.) (pending before the
37 Legislature as this bill)' shall designate an employee of the
38 Department of State 'from among those positions otherwise filled'
39 to act as a contact person to be responsible for assisting each
40 business undertaking such project on an individual basis and to
41 continue as the point of contact between that business and all
42 appropriate government entities throughout the permit and approval
43 application process. Concerning projects which require permits
44 from multiple State and local agencies, the '[Lieutenant Governor]
45 Secretary of State or the Governor's designee' shall designate an
46 employee of the Department of State 'from among those positions
47 otherwise filled' to guide such projects throughout the process of

- 1 applying ¹for¹ and receiving any business permit or approval. The
2 duties of the designated contact person shall include:
- 3 a. Developing, from the outset, a checklist of permits to which
4 the applicable agencies agree;
- 5 b. Establishing a detailed course of actions and milestones for
6 the permitting or approval process that shall be agreed to by the
7 applicable agencies;
- 8 c. Reporting any impediments to, or conflicts regarding,
9 milestones to the ¹[[Lieutenant Governor] Secretary of State or the
10 Governor's Designee¹, and promptly evaluating any disputes,
11 delays, or other issues requiring centralized review; and
- 12 d. Coordinating as needed with the New Jersey Economic
13 Development Authority to ensure that businesses considering
14 investing in this State receive integrated project management of all
15 State and local agency required permits and approvals.

16

17 ¹[5. A State or local agency issuing a permit or approval shall
18 provide for the waiver of strict compliance with the standards
19 promulgated for issuing such permit or approval, where necessary
20 to alleviate undue hardship and where such waiver is based on
21 common sense principles.]¹

22

23 ¹5. a. The Secretary of State or other State officer or employee
24 designated by the Governor pursuant to section 3 of P.L. , c. (C.)
25 (pending before the Legislature as this bill) shall report annually on
26 or before March 1 to the Governor and to the Legislature, pursuant
27 to section 2 of P.L.1991, c.164 (C.52:14-19.1), concerning:

28 (1) Permits identified pursuant to section 2 of P.L. , c. (C.)
29 (pending before the Legislature as this bill) as either being able to
30 be administered through an expedited process or obsolete, and
31 actions taken or recommended to be taken to implement expedited
32 processes or eliminate obsolete permits;

33 (2) The counties and municipalities participating in cooperative
34 and contemporaneous handling of business permits and approvals
35 pursuant to section 3 of P.L. , c. (C.) (pending before the
36 Legislature as this bill);

37 (3) The specific employees assigned as designated contact
38 persons to specific projects, by project, pursuant to section 4 of
39 P.L. , c. (C.) (pending before the Legislature as this bill, a
40 summary of actions taken of behalf of each project, and outcomes;
41 and

42 (4) Other matters as the Secretary of State or the Governor's
43 designee may find material.

44 b. The report required by subsection a. of this section shall be
45 posted on the Department of State web site.¹

46

47 6. This act shall take effect on the 60th day after the date of

A2853 [1R]

4

1 enactment, but any affected agency may take such anticipatory
2 administrative action in advance thereof as shall be necessary for
3 the implementation of this act.

4

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8 Streamlines process for State and local agency business permits
9 related to economic development projects.

ASSEMBLY, No. 2853

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED JUNE 10, 2010

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

Assemblyman MATTHEW W. MILAM

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman NELSON T. ALBANO

District 1 (Cape May, Atlantic and Cumberland)

Assemblyman PAUL D. MORIARTY

District 4 (Camden and Gloucester)

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

SYNOPSIS

Streamlines process for State and local agency business permits related to economic development projects.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/7/2010)

1 AN ACT concerning State and local agency business permits related
2 to economic development projects and supplementing Title 52 of
3 the Revised Statutes.

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

7
8 1. As used in this act:

9 "Local agency" means any department of a political subdivision
10 of this State, or any division, office, agency, or bureau thereof that
11 issues a permit to a business.

12 "Permit" means a permit, license, certificate, registration,
13 compliance schedule, or any other form of permission or approval
14 required by law to be issued by a State agency in order to engage in
15 a business activity, or any other authorization related thereto,
16 whether that authorization is in the form of a permit, approval,
17 license, certification, waiver, letter of interpretation, agreement, or
18 any other executive or administrative decision which allows a
19 business to engage in an activity.

20 "State agency" means any New Jersey principal department or
21 any division, office, agency, or bureau thereof that issues a permit
22 to a business.

23
24 2. Consistent with the objectives of applicable statutes, every
25 State agency shall periodically review those permits the State
26 agency issues to identify permits that:

27 a. Can be administered through an expedited process, such as:
28 (1) developing procedures for the electronic submission of permit
29 applications, and (2) the issuance of a permit by rule pursuant to
30 which standards are established where a representative of a business
31 seeking or renewing a permit certifies that the business is in
32 compliance with such standards, and oversight is achieved through
33 inspections and audits; and

34 b. May be obsolete, are no longer necessary, or cost more to
35 administer than the benefits they provide, and thus should be
36 eliminated so long as the public health, safety, or general welfare is
37 not endangered.

38
39 3. The Lieutenant Governor shall develop a system of
40 consolidated and contemporaneous review of State and local
41 agency-issued business permits for the purpose of accelerating the
42 process of issuing business permits, eliminating redundancy among
43 different levels of State and local government, and ensuring more
44 consistency in permit issuance. Under such system, any county or
45 municipality issuing a business permit shall be encouraged and
46 incentivized to voluntarily join in a collaborative effort to manage
47 the permitting process for a business project with any State agency,
48 as applicable to each project, and jointly agree on a process and

1 schedule for a cooperative and contemporaneous handling of
2 business permits and approvals. Any municipality issuing a
3 business permit or approval pursuant to the "Municipal Land Use
4 Law," P.L.1975, c.291 (C.40:55D-1 et seq.) shall not be subject to
5 the provisions of this act.

6
7 4. Concerning any large, complex project having a significant
8 potential employment or investment impact, the Lieutenant
9 Governor shall designate an employee of the Department of State to
10 act as a contact person to be responsible for assisting each business
11 undertaking such project on an individual basis and to continue as
12 the point of contact between that business and all appropriate
13 government entities throughout the permit and approval application
14 process. Concerning projects which require permits from multiple
15 State and local agencies, the Lieutenant Governor shall designate an
16 employee of the Department of State to guide such projects
17 throughout the process of applying and receiving any business
18 permit or approval. The duties of the designated contact person
19 shall include:

- 20 a. Developing, from the outset, a checklist of permits to which
21 the applicable agencies agree;
- 22 b. Establishing a detailed course of actions and milestones for
23 the permitting or approval process that shall be agreed to by the
24 applicable agencies;
- 25 c. Reporting any impediments to, or conflicts regarding,
26 milestones to the Lieutenant Governor, and promptly evaluating any
27 disputes, delays, or other issues requiring centralized review; and
- 28 d. Coordinating as needed with the New Jersey Economic
29 Development Authority to ensure that businesses considering
30 investing in this State receive integrated project management of all
31 State and local agency required permits and approvals.

32
33 5. A State or local agency issuing a permit or approval shall
34 provide for the waiver of strict compliance with the standards
35 promulgated for issuing such permit or approval, where necessary
36 to alleviate undue hardship and where such waiver is based on
37 common sense principles.

38
39 6. This act shall take effect on the 60th day after the date of
40 enactment, but any affected agency may take such anticipatory
41 administrative action in advance thereof as shall be necessary for
42 the implementation of this act.

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44
45 **STATEMENT**

46
47 This bill directs State and local agencies that issue permits to
48 businesses related to economic development to streamline the

1 process by which the permits are issued to such businesses and
2 monitored for compliance.

3 Specifically, the bill requires State agencies to review the
4 permits they currently issue to identify permits which: 1) can be
5 administered through expedited processes, such as developing
6 procedures for the electronic submission of permit applications and
7 permitting by rule to which standards are established, where
8 company executives certify they are in compliance and oversight is
9 achieved through inspections and audits; and 2) may be obsolete,
10 are no longer necessary or cost more to administer than the benefits
11 they provide, and thus should be eliminated so long as the public
12 health, safety, or general welfare is not endangered.

13 The bill requires the Lieutenant Governor to develop a system of
14 consolidated and contemporaneous review of State and local
15 agency-issued permits to accelerate the permitting process,
16 eliminate redundancy among different levels of State and local
17 government, and ensure more consistency. Under this system,
18 municipalities would be encouraged and incentivized to voluntarily
19 join in a collaborative "project management" with State agencies;
20 however, business permits or approvals issued by municipalities
21 pursuant to the "Municipal Land Use Law," P.L.1975, c.291
22 (C.40:55D-1 et seq.) are not required to participate.

23 For large, complex project having a significant potential
24 employment or investment impact, the bill requires the Lieutenant
25 Governor to designate an employee of the Department of State to
26 act as a contact person to be responsible for assisting each business
27 undertaking such project on an individual basis and to continue as
28 the point of contact between that business and all appropriate
29 government entities throughout the permit and approval application
30 process. For projects which require permits from multiple State and
31 local agencies, the bill requires the Lieutenant Governor to
32 designate an employee of the Department of State to guide such
33 projects throughout the process of applying and receiving any
34 business permit or approval. The contact person's duties would
35 include: 1) developing from the outset an agreed upon checklist of
36 permits to which the applicable agencies agree; 2) establishing
37 detailed pathways and milestones for the process, also to be agreed
38 to by the applicable agencies; 3) reporting any impediments to or
39 conflicts regarding milestones to the Lieutenant Governor, and
40 promptly evaluating any disputes, delays, or other issues requiring
41 centralized review; and 4) coordinating as needed with the New
42 Jersey Economic Development Authority to ensure that businesses
43 considering investing in New Jersey receive integrated project
44 management of all of the incentives and approvals milestones
45 required.

46 Further, for suitable projects, the bill allows permit writers and
47 their superiors to exercise their authority under the doctrine of
48 "waiver of strict compliance" with the standards promulgated for

A2853 BURZICHELLI, MILAM

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1 issuing such permit or approval, where necessary to alleviate undue
2 hardship and where such waiver is based on common sense
3 principles.

4 This bill is based on a recommendation contained in the report
5 entitled "Governor-Elect Christie: Report to the Transition Team:
6 Subcommittee on Economic Development & Job Growth."

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2853

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2010

The Assembly Budget Committee reports favorably Assembly Bill No. 2853, with committee amendments.

Assembly Bill No. 2853 directs State and local agencies that issue permits to businesses related to economic development to streamline the process by which the permits are issued to such businesses and monitored for compliance.

The bill requires State agencies to review the permits they currently issue to identify permits which: 1) can be administered through expedited processes, such as developing procedures for the electronic submission of permit applications; or 2) may be obsolete, are no longer necessary or cost more to administer than the benefits they provide, and thus should be eliminated so long as the public health, safety, or general welfare is not endangered.

The bill requires the Secretary of State or other State officer or employee that the governor may designate to develop a system of consolidated and contemporaneous review of State- and local agency-issued permits to accelerate the permitting process, eliminate redundancy among different levels of State and local government, and ensure more consistency. The system must be adopted by rule pursuant to the Administrative Procedure Act; this will ensure notice to the public, a public hearing and the opportunity for stakeholders to comment. Under this system, municipalities would be encouraged and incentivized to voluntarily join in a collaborative "project management" with State agencies. However, business permits or approvals issued by municipalities pursuant to the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.) and business permits or approvals related to a federally-funded program or project and permits that are specified or determined by federal law are not subject to the provisions of the bill.

For large, complex projects having a significant potential employment or investment impact, the bill requires the Secretary of State or the Governor's designee to designate an employee of the Department of State from among those positions already filled to act as a contact person to be responsible for assisting each business undertaking such a project on an individual basis and to continue as

the point of contact between that business and all appropriate government entities throughout the permit and approval application process. For projects which require permits from multiple State and local agencies, the bill requires the Secretary of State or the Governor's designee to designate an employee of the Department of State to guide such projects throughout the process of applying and receiving any business permit or approval. The contact person's duties would include: 1) developing from the outset an agreed upon checklist of permits to which the applicable agencies agree; 2) establishing detailed pathways and milestones for the process, also to be agreed to by the applicable agencies; 3) reporting any impediments to or conflicts regarding milestones to the Secretary of State or the Governor's designee, and promptly evaluating any disputes, delays, or other issues requiring centralized review; and 4) coordinating as needed with the New Jersey Economic Development Authority to ensure that businesses considering investing in New Jersey receive integrated project management of all of the incentives and approvals milestones required.

The bill requires the Secretary of State or the Governor's designee to report annually to the Governor and the Legislature on the permits identified for expedited process or identified as obsolete, on the counties and municipalities participating in the consolidated and contemporaneous permitting program, on the employees acting as designated contact persons, their projects, actions and outcomes, and other material issues.

This bill is based on a recommendation contained in the report entitled "Governor-Elect Christie: Report to the Transition Team: Subcommittee on Economic Development & Job Growth."

FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

COMMITTEE AMENDMENTS:

The amendments:

- Omit a provision that would otherwise have encouraged permit-by-rule.
- Require that State agencies that identify regulations that may be administered through an expedited process or that may be obsolete notify the program manager of that identification.
- Replace references to the Lieutenant Governor as program manager with references to the Secretary of State or the Governor's designee. This change would not affect the immediate implementation of the bill (as the current Lieutenant Governor is the Secretary of State), but would provide future administrations flexibility in choice of program manager.

- Exclude business permits or approvals related to a federally-funded program or project and permits specified or determined under federal law from the provisions of the bill.

- Require that the system of consolidated and contemporaneous review of State- and local agency-issued permits be adopted by rule.

- Omit a provision that would have authorized a permit waiver process.

- Require the annual reporting.

SENATE, No. 6

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED DECEMBER 9, 2010

Sponsored by:
Senator PAUL A. SARLO
District 36 (Bergen, Essex and Passaic)

SYNOPSIS

Streamlines process for public agency-issued permits to businesses related to economic development projects.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning public agency-issued permits to businesses
2 related to economic development projects and supplementing
3 Title 52 of the Revised Statutes.

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

7
8 1. As used in this act:

9 "Local agency" means any department of a political subdivision
10 of this State, or any division, office, agency, or bureau thereof that
11 issues a permit to a business.

12 "Permit" means a permit, license, certificate, registration,
13 compliance schedule, or any other form of permission or approval
14 required by law to be issued by a State agency in order to engage in
15 a business activity, or any other authorization related thereto,
16 whether that authorization is in the form of a permit, approval,
17 license, certification, waiver, letter of interpretation, agreement, or
18 any other executive or administrative decision which allows a
19 business to engage in an activity.

20 "State agency" means any New Jersey principal department or
21 any division, office, agency, or bureau thereof that issues a permit
22 to a business.

23
24 2. Consistent with the objectives of applicable statutes, every
25 State agency shall periodically review those permits the State
26 agency issues to identify permits that:

27 a. Can be administered through an expedited process, such as:
28 (1) developing procedures for the electronic submission of permit
29 applications, and (2) the issuance of a permit by rule pursuant to
30 which standards are established where a representative of a business
31 seeking or renewing a permit certifies that the business is in
32 compliance with such standards, and oversight is achieved through
33 inspections and audits; and

34 b. May be obsolete, are no longer necessary, or cost more to
35 administer than the benefits they provide, and thus should be
36 eliminated so long as the public health, safety, or general welfare is
37 not endangered.

38
39 3. The Lieutenant Governor shall develop a system of
40 consolidated and contemporaneous review of State and local
41 agency-issued business permits for the purpose of accelerating the
42 process of issuing business permits, eliminating redundancy among
43 different levels of State and local government, and ensuring more
44 consistency in permit issuance. Under such system, any county or
45 municipality issuing a business permit shall be encouraged and
46 incentivized to voluntarily join in a collaborative effort to manage
47 the permitting process for a business project with any State agency,
48 as applicable to each project, and jointly agree on a process and

S6 SARLO

1 schedule for a cooperative and contemporaneous handling of
2 business permits and approvals. Any municipality issuing a
3 business permit or approval pursuant to the "Municipal Land Use
4 Law," P.L.1975, c.291 (C.40:55D-1 et seq.) shall not be subject to
5 the provisions of this act.

6
7 4. Concerning any large, complex project having a significant
8 potential employment or investment impact, the Lieutenant
9 Governor shall designate an employee of the Department of State to
10 act as a contact person to be responsible for assisting each business
11 undertaking such project on an individual basis and to continue as
12 the point of contact between that business and all appropriate
13 government entities throughout the permit and approval application
14 process. Concerning projects which require permits from multiple
15 State and local agencies, the Lieutenant Governor shall designate an
16 employee of the Department of State to guide such projects
17 throughout the process of applying and receiving any business
18 permit or approval. The duties of the designated contact person
19 shall include:

20 a. Developing, from the outset, a checklist of permits to which
21 the applicable agencies agree;

22 b. Establishing a detailed course of actions and milestones for
23 the permitting or approval process that shall be agreed to by the
24 applicable agencies;

25 c. Reporting any impediments to, or conflicts regarding,
26 milestones to the Lieutenant Governor, and promptly evaluating any
27 disputes, delays, or other issues requiring centralized review; and

28 d. Coordinating as needed with the New Jersey Economic
29 Development Authority to ensure that businesses considering
30 investing in this State receive integrated project management of all
31 State and local agency required permits and approvals.

32
33 5. A State or local agency issuing a permit or approval shall
34 provide for the waiver of strict compliance with the standards
35 promulgated for issuing such permit or approval, where necessary
36 to alleviate undue hardship and where such waiver is based on
37 common sense principles.

38
39 6. This act shall take effect on the 90th day after the date of
40 enactment, but any affected agency may take such anticipatory
41 administrative action in advance thereof as shall be necessary for
42 the implementation of this act.

43

44

45

STATEMENT

46

47 This bill directs State and local agencies that issue permits to
48 businesses related to economic development to streamline the

1 process by which the permits are issued to such businesses and
2 monitored for compliance.

3 Specifically, the bill requires State agencies to review the
4 permits they currently issue to identify permits which: 1) can be
5 administered through expedited processes, such as developing
6 procedures for the electronic submission of permit applications and
7 permitting by rule to which standards are established, where
8 company executives certify they are in compliance and oversight is
9 achieved through inspections and audits; and 2) may be obsolete,
10 are no longer necessary or cost more to administer than the benefits
11 they provide, and thus should be eliminated so long as the public
12 health, safety, or general welfare is not endangered.

13 The bill requires the Lieutenant Governor to develop a system of
14 consolidated and contemporaneous review of State and local
15 agency-issued permits to accelerate the permitting process,
16 eliminate redundancy among different levels of State and local
17 government, and ensure more consistency. Under this system,
18 municipalities would be encouraged and incentivized to voluntarily
19 join in a collaborative “project management” with State agencies;
20 however, business permits or approvals issued by municipalities
21 pursuant to the "Municipal Land Use Law," P.L.1975, c.291
22 (C.40:55D-1 et seq.) are not required to participate.

23 For large, complex project having a significant potential
24 employment or investment impact, the bill requires the Lieutenant
25 Governor to designate an employee of the Department of State to
26 act as a contact person to be responsible for assisting each business
27 undertaking such project on an individual basis and to continue as
28 the point of contact between that business and all appropriate
29 government entities throughout the permit and approval application
30 process. For projects which require permits from multiple State and
31 local agencies, the bill requires the Lieutenant Governor to
32 designate an employee of the Department of State to guide such
33 projects throughout the process of applying and receiving any
34 business permit or approval. The contact person’s duties would
35 include: 1) developing from the outset an agreed upon checklist of
36 permits to which the applicable agencies agree; 2) establishing
37 detailed pathways and milestones for the process, also to be agreed
38 to by the applicable agencies; 3) reporting any impediments to or
39 conflicts regarding milestones to the Lieutenant Governor, and
40 promptly evaluating any disputes, delays, or other issues requiring
41 centralized review; and 4) coordinating as needed with the New
42 Jersey Economic Development Authority to ensure that businesses
43 considering investing in New Jersey receive integrated project
44 management of all of the incentives and approvals milestones
45 required.

46 Further, for suitable projects, the bill allows permit writers and
47 their superiors to exercise their authority under the doctrine of
48 “waiver of strict compliance” with the standards promulgated for

S6 SARLO

5

1 issuing such permit or approval, where necessary to alleviate undue
2 hardship and where such waiver is based on common sense
3 principles.

4 This bill is based on a recommendation contained in the report
5 entitled "Governor-Elect Christie: Report to the Transition Team:
6 Subcommittee on Economic Development & Job Growth."

SENATE, No. 1914

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED MAY 13, 2010

Sponsored by:

Senator JOSEPH M. KYRILLOS, JR.

District 13 (Middlesex and Monmouth)

Senator BRIAN P. STACK

District 33 (Hudson)

Co-Sponsored by:

Senator Oroho

SYNOPSIS

Streamlines process for State and local agency business permits related to economic development projects.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/3/2011)

S1914 KYRILLOS, STACK

2

1 AN ACT concerning State and local agency business permits related
2 to economic development projects and supplementing Title 52 of
3 the Revised Statutes.

4

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

7

8 1. As used in this act:

9 "Local agency" means any department of a political subdivision
10 of this State, or any division, office, agency, or bureau thereof that
11 issues a permit to a business.

12 "Permit" means a permit, license, certificate, registration,
13 compliance schedule, or any other form of permission or approval
14 required by law to be issued by a State agency in order to engage in
15 a business activity, or any other authorization related thereto,
16 whether that authorization is in the form of a permit, approval,
17 license, certification, waiver, letter of interpretation, agreement, or
18 any other executive or administrative decision which allows a
19 business to engage in an activity.

20 "State agency" means any New Jersey principal department or
21 any division, office, agency, or bureau thereof that issues a permit
22 to a business.

23

24 2. Consistent with the objectives of applicable statutes, every
25 State agency shall periodically review those permits the State
26 agency issues to identify permits that:

27 a. Can be administered through an expedited process, such as:
28 (1) developing procedures for the electronic submission of permit
29 applications, and (2) the issuance of a permit by rule pursuant to
30 which standards are established where a representative of a business
31 seeking or renewing a permit certifies that the business is in
32 compliance with such standards, and oversight is achieved through
33 inspections and audits; and

34 b. May be obsolete, are no longer necessary, or cost more to
35 administer than the benefits they provide, and thus should be
36 eliminated so long as the public health, safety, or general welfare is
37 not endangered.

38

39 3. The Lieutenant Governor shall develop a system of
40 consolidated and contemporaneous review of State and local
41 agency-issued business permits for the purpose of accelerating the
42 process of issuing business permits, eliminating redundancy among
43 different levels of State and local government, and ensuring more
44 consistency in permit issuance. Under such system, any county or
45 municipality issuing a business permit shall be encouraged and
46 incentivized to voluntarily join in a collaborative effort to manage
47 the permitting process for a business project with any State agency,
48 as applicable to each project, and jointly agree on a process and

1 schedule for a cooperative and contemporaneous handling of
2 business permits and approvals. Any municipality issuing a
3 business permit or approval pursuant to the "Municipal Land Use
4 Law," P.L.1975, c.291 (C.40:55D-1 et seq.) shall not be subject to
5 the provisions of this act.

6
7 4. Concerning any large, complex project having a significant
8 potential employment or investment impact, the Lieutenant
9 Governor shall designate an employee of the Department of State to
10 act as a contact person to be responsible for assisting each business
11 undertaking such project on an individual basis and to continue as
12 the point of contact between that business and all appropriate
13 government entities throughout the permit and approval application
14 process. Concerning projects which require permits from multiple
15 State and local agencies, the Lieutenant Governor shall designate an
16 employee of the Department of State to guide such projects
17 throughout the process of applying and receiving any business
18 permit or approval. The duties of the designated contact person
19 shall include:

20 a. Developing, from the outset, a checklist of permits to which
21 the applicable agencies agree;

22 b. Establishing a detailed course of actions and milestones for
23 the permitting or approval process that shall be agreed to by the
24 applicable agencies;

25 c. Reporting any impediments to, or conflicts regarding,
26 milestones to the Lieutenant Governor, and promptly evaluating any
27 disputes, delays, or other issues requiring centralized review; and

28 d. Coordinating as needed with the New Jersey Economic
29 Development Authority to ensure that businesses considering
30 investing in this State receive integrated project management of all
31 State and local agency required permits and approvals.

32
33 5. A State or local agency issuing a permit or approval shall
34 provide for the waiver of strict compliance with the standards
35 promulgated for issuing such permit or approval, where necessary
36 to alleviate undue hardship and where such waiver is based on
37 common sense principles.

38
39 6. This act shall take effect on the 60th day after the date of
40 enactment, but any affected agency may take such anticipatory
41 administrative action in advance thereof as shall be necessary for
42 the implementation of this act.

43
44
45 STATEMENT

46
47 This bill directs State and local agencies that issue permits to
48 businesses related to economic development to streamline the

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1 process by which the permits are issued to such businesses and
2 monitored for compliance.

3 Specifically, the bill requires State agencies to review the
4 permits they currently issue to identify permits which: 1) can be
5 administered through expedited processes, such as developing
6 procedures for the electronic submission of permit applications and
7 permitting by rule to which standards are established, where
8 company executives certify they are in compliance and oversight is
9 achieved through inspections and audits; and 2) may be obsolete,
10 are no longer necessary or cost more to administer than the benefits
11 they provide, and thus should be eliminated so long as the public
12 health, safety, or general welfare is not endangered.

13 The bill requires the Lieutenant Governor to develop a system of
14 consolidated and contemporaneous review of State and local
15 agency-issued permits to accelerate the permitting process,
16 eliminate redundancy among different levels of State and local
17 government, and ensure more consistency. Under this system,
18 municipalities would be encouraged and incentivized to voluntarily
19 join in a collaborative "project management" with State agencies;
20 however, business permits or approvals issued by municipalities
21 pursuant to the "Municipal Land Use Law," P.L.1975, c.291
22 (C.40:55D-1 et seq.) are not required to participate.

23 For large, complex project having a significant potential
24 employment or investment impact, the bill requires the Lieutenant
25 Governor to designate an employee of the Department of State to
26 act as a contact person to be responsible for assisting each business
27 undertaking such project on an individual basis and to continue as
28 the point of contact between that business and all appropriate
29 government entities throughout the permit and approval application
30 process. For projects which require permits from multiple State and
31 local agencies, the bill requires the Lieutenant Governor to
32 designate an employee of the Department of State to guide such
33 projects throughout the process of applying and receiving any
34 business permit or approval. The contact person's duties would
35 include: 1) developing from the outset an agreed upon checklist of
36 permits to which the applicable agencies agree; 2) establishing
37 detailed pathways and milestones for the process, also to be agreed
38 to by the applicable agencies; 3) reporting any impediments to or
39 conflicts regarding milestones to the Lieutenant Governor, and
40 promptly evaluating any disputes, delays, or other issues requiring
41 centralized review; and 4) coordinating as needed with the New
42 Jersey Economic Development Authority to ensure that businesses
43 considering investing in New Jersey receive integrated project
44 management of all of the incentives and approvals milestones
45 required.

46 Further, for suitable projects, the bill allows permit writers and
47 their superiors to exercise their authority under the doctrine of
48 "waiver of strict compliance" with the standards promulgated for

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1 issuing such permit or approval, where necessary to alleviate undue
2 hardship and where such waiver is based on common sense
3 principles.

4 This bill is based on a recommendation contained in the report
5 entitled "Governor-Elect Christie: Report to the Transition Team:
6 Subcommittee on Economic Development & Job Growth."

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR **SENATE, Nos. 6 and 1914**

STATE OF NEW JERSEY

DATED: DECEMBER 20, 2010

The Senate Budget and Appropriations Committee reports favorably a Senate Committee Substitute for Senate Bill Nos. 6 and 1914.

The substitute directs State and local agencies that issue permits to businesses related to economic development to streamline the process by which the permits are issued to such businesses and monitored for compliance.

The substitute requires State agencies to review the permits they currently issue to identify permits which: 1) can be administered through expedited processes, such as developing procedures for the electronic submission of permit applications; or 2) may be obsolete, are no longer necessary or cost more to administer than the benefits they provide, and thus should be eliminated so long as the public health, safety, or general welfare is not endangered.

The substitute requires the Secretary of State or other State officer or employee that the governor may designate to develop a system of consolidated and contemporaneous review of State- and local agency-issued permits to accelerate the permitting process, eliminate redundancy among different levels of State and local government, and ensure more consistency. The system must be adopted by rule pursuant to the Administrative Procedure Act; this will ensure notice to the public, a public hearing and the opportunity for stakeholders to comment. Under this system, municipalities would be encouraged and incentivized to voluntarily join in a collaborative "project management" with State agencies. However, business permits or approvals issued by municipalities pursuant to the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.) and business permits or approvals related to a federally-funded program or project and permits specified or determined by federal law are not subject to the provisions of the substitute.

For large, complex projects having a significant potential employment or investment impact, the substitute requires the Secretary of State or the Governor's designee to designate an employee of the Department of State from among those positions already filled to act

as a contact person to be responsible for assisting each business undertaking such a project on an individual basis and to continue as the point of contact between that business and all appropriate government entities throughout the permit and approval application process. For projects which require permits from multiple State and local agencies, the substitute requires the Secretary of State or the Governor's designee to designate an employee of the Department of State to guide such projects throughout the process of applying and receiving any business permit or approval. The contact person's duties would include: 1) developing from the outset an agreed upon checklist of permits to which the applicable agencies agree; 2) establishing detailed pathways and milestones for the process, also to be agreed to by the applicable agencies; 3) reporting any impediments to or conflicts regarding milestones to the Secretary of State or the Governor's designee, and promptly evaluating any disputes, delays, or other issues requiring centralized review; and 4) coordinating as needed with the New Jersey Economic Development Authority to ensure that businesses considering investing in New Jersey receive integrated project management of all of the incentives and approvals milestones required.

The substitute requires the Secretary of State or the Governor's designee to report annually to the Governor and the Legislature on the permits identified for expedited process or identified as obsolete, on the counties and municipalities participating in the consolidated and contemporaneous permitting program, on the employees acting as designated contact persons, their projects, actions and outcomes, and other material issues.

This substitute is based on a recommendation contained in the report entitled "Governor-Elect Christie: Report to the Transition Team: Subcommittee on Economic Development & Job Growth."

This Senate Committee Substitute is identical to Assembly Bill No. 2853 Aca.

FISCAL IMPACT:

This substitute was not certified as requiring a fiscal note.