

SENATE, No. 3174

STATE OF NEW JERSEY

222nd LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

Sponsored by:
Senator NICHOLAS P. SCUTARI
District 22 (Somerset and Union)

SYNOPSIS

Concerns authority of owners, agents, or other persons to elect to contract with private on-site inspection agencies to complete inspections under the construction code; provides for charging of inspection fees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT related to inspections under the construction code, by
2 providing for inspection fees and permitting certain persons to
3 contract with private on-site inspection agencies for inspection
4 services, and amending P.L.1979, c.121 and P.L.1975, c.217.

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

8
9 1. Section 3 of P.L.1979, c.121 (C. 52:27D-126a) is amended
10 to read as follows:

11 3. Where the appointing authority of any municipality shall
12 appoint an enforcing agency and construction board of appeals
13 pursuant to section 8 of P.L.1975, c.217 (C.52:27D-126), the
14 municipal governing body by ordinance, in accordance with
15 standards established by the commissioner, shall set enforcing
16 agency fees for plan review, construction permit, inspection,
17 certificate of occupancy, demolition permit, moving of building
18 permit, elevator permit, and sign permit, provided, however, that
19 such fees shall not exceed the annual costs for the operation of the
20 enforcing agency. For the three-year period commencing with an
21 enforcing agency's initial participation in the "Electronic Permit
22 Processing Review System," developed and implemented pursuant
23 to section 1 of P.L.2021, c.70 (C.52:27D-124.4), the municipal
24 governing body may impose, and the enforcing agency may collect,
25 construction permit surcharge fees to defray the enforcing agency's
26 startup costs related to offering electronic plan review and
27 scheduling. Surcharge fees shall be established in accordance with
28 standards established by the commissioner.
29 (cf: P.L.2021, c.70, s.3)

30
31 2. Section 14 of P.L.1975, c.217 (C.52:27D-132) is amended to
32 read as follows:

33 14. a. The enforcing agency shall periodically inspect all
34 construction undertaken pursuant to a construction permit issued by
35 it to ensure that the construction or alteration is performed in
36 accordance with the conditions of the construction permit and
37 consistent with the requirements of the code and any ordinance
38 implementing said code.

39 b. The owner of any premises upon which a building or
40 structure is being constructed shall be deemed to have consented to
41 the inspection by the enforcing agency and the department, of the
42 entire premises and of any and all construction being performed on
43 it until a certificate of occupancy has been issued. An inspector, or
44 team of inspectors, on presentation of proper credentials, shall have
45 the right to enter and inspect such premises, and any and all

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 construction thereon, for purposes of ensuring compliance with the
2 provisions of the applicable construction permit, the code, and other
3 applicable laws and regulations. All **inspection** inspections
4 pursuant to P.L.1975, c.217 (C.52:27D-119 et seq.) shall be
5 between the hours of 9 a.m. and 5 p.m. on business days or at
6 another time that has been agreed upon by the owner and the
7 relevant inspecting entity, whether the enforcing agency,
8 department, or private on-site inspection agency, or when
9 construction is actually being undertaken, provided, however, that
10 inspections may be conducted at other times if the enforcing agency
11 has reasonable cause to believe that an immediate danger to life,
12 limb or property exists, or if permission is given by an owner, or the
13 owner's agent, architect, engineer or builder. No person shall
14 accompany an inspector or team of inspectors on any inspection
15 pursuant to P.L.1975, c.217 (C.52:27D-119 et seq.), unless the
16 person's presence is necessary for the enforcement of P.L.1975,
17 c.217 (C.52:27D-119 et seq.), or the code, or unless consent is
18 given by an owner or the owner's agent, architect, engineer or
19 builder.

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

41 d. When an inspector or team of inspectors finds a violation of
42 the provisions of a construction permit, the code, or other applicable
43 laws and regulations at an owner-occupied single-family residence,
44 and issues a notice of violation and an order to terminate the
45 violation, the enforcing agency shall require the same inspector or
46 team of inspectors who found the violation to undertake any
47 subsequent reinspection thereof at the premises. When the same
48 inspector or team of inspectors cannot be assigned to undertake the

1 reinspection, the enforcing agency may assign an available
2 inspector provided the scope of the reinspection shall be limited to
3 the violation for which the reinspection is required. The
4 requirements of this subsection shall not apply to violations of the
5 plumbing or electrical subcodes, or to fire safety code violations, or
6 to any violation of any other subcode that the Department of
7 Community Affairs determines to be a health or safety violation.
8 Nothing in this subsection shall be construed to infringe upon the
9 right of a property owner to request a different inspector, team of
10 inspectors, or supervisor, to perform any required reinspection.

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

20 (1) The owner, agent, or other responsible person in charge of
21 work shall be present and prepared at the time of any inspection that
22 has been scheduled upon the owner, agent, or other responsible
23 person's request. A failure by the owner, agent, or other responsible
24 person in charge of work to be present and prepared for inspection
25 shall be considered a failed inspection.

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

36 (3) If the owner, agent, or other responsible person in charge of
37 work independently elects, for any reason, to contract with a private
38 on-site inspection agency authorized by the department to conduct
39 on-site inspections pursuant to subsection i. of section 6 of
40 P.L.1975, c.217 (C.52:27D-124) to perform the requested
41 inspection, elects, for any reason, to contract with a private on-site
42 inspection agency authorized by the department to conduct on-site
43 inspections to conduct any inspection required for the issuance of a
44 certificate of occupancy pursuant to section 15 of the "State
45 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-133),
46 or if the enforcing agency is unable to perform the requested
47 inspection within three business days of the date for which the
48 inspection is requested and the enforcing agency and the owner,

1 agent, or responsible person in charge of work are unable to come
2 to an agreement pursuant to paragraph (2) of this subsection, the
3 owner, agent, or other responsible person in charge of work may
4 **[choose to]** contract with a private on-site inspection agency
5 authorized by the department to conduct on-site inspections
6 pursuant to paragraph i. of section 6 of P.L.1975, c.217 (C.52:27D-
7 124) or inspections required for the issuance of a certificate of
8 occupancy pursuant to section 15 of the "State Uniform
9 Construction Code Act," P.L.1975, c.217 (C.52:27D-133) to
10 perform the requested inspection or inspections. A municipality
11 may, by ordinance, require that that the municipality receive the
12 amount regularly charged as an inspection fee by the enforcing
13 agency as a condition of accepting or recognizing an inspection
14 performed by a private on-site inspection agency.

15 (a) The owner, agent, or other responsible person in charge of
16 work shall notify the enforcing agency in writing of any choice to
17 utilize an authorized private on-site inspection agency to conduct
18 the requested inspection or inspections.

19 (b) The owner, agent, or other responsible person in charge of
20 work may elect to utilize the private on-site inspection agency to
21 conduct all subsequent associated inspections. In the event of a
22 project with multiple units in one building, this provision shall
23 apply to the specific unit or units affected by the inspection delay.

24 (c) The use of a private on-site inspection agency by an owner,
25 agent, or other responsible person for on-site inspections shall be
26 subject to the conflict-of-interest provisions in the code. In addition
27 to those requirements, no private on-site inspection agency shall
28 perform an inspection for any owner, agent, or other responsible
29 person in charge of work, if an owner, agent, or other responsible
30 person is currently employed by or affiliated with any individual
31 affiliated with the private on-site inspection agency or has
32 employed or was associated with an individual affiliated with the
33 private on-site inspection agency within a timeframe established by
34 the commissioner by regulation.

35 (d) The enforcing agency shall, if warranted, provide a fee
36 reconciliation to the owner for an inspection completed by a private
37 on-site inspection agency as a result of a missed inspection. The
38 enforcing agency shall perform the reconciliation at the conclusion
39 of the project. This reconciliation shall be based on the fees already
40 paid less administrative costs for the enforcing agency and shall not
41 exceed the amount already paid for the project, nor shall it exceed
42 the amount that the enforcing agency is authorized to impose for
43 inspections, and shall take into account the administrative costs of
44 the enforcing agency.

45 (4) **[If** the owner, agent, or other responsible person in charge of
46 work believes an enforcing agency has demonstrated a repeated
47 inability to conduct inspections for a construction project within the
48 timelines required by this section, as established by the

1 commissioner by regulation, the owner, agent, or other responsible
2 person in charge of work may notify the department in writing to
3 request authorization to utilize an authorized private on-site
4 inspection agency. Within 15 business days of receiving a
5 notification under this paragraph, the department shall determine
6 whether the enforcing agency has demonstrated repeated inability,
7 and, if the department determines, shall authorize the owner, agent,
8 or other responsible person in charge of work to utilize an
9 authorized private on-site inspection agency for all or a portion of
10 the necessary inspections for the remainder of the project. 】 (Deleted
11 by amendment, P.L. , c.) (pending before the Legislature as this
12 bill)

13 f. Each enforcing agency shall establish a process for ensuring
14 inspections are performed within three business days of a requested
15 inspection date, as required by subsection e. of this section.
16 Authorized processes include, but are not limited to, the use of
17 supplemental shared services agreements with other municipalities
18 or enforcing agencies or the use of contracted private on-site
19 inspection agencies, including supplemental private on-site
20 inspection agencies.

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

31 (2) A municipality that enters into a contract for supplemental
32 services pursuant to subsection f. of this section shall provide a
33 copy of the contract to the department upon entering into the
34 contract.

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

42 (4) The department may utilize the information provided
43 pursuant to this subsection to determine appropriate staffing levels
44 for the enforcing agency. If the department determines that an
45 enforcing agency has not maintained appropriate staffing levels, the
46 department may require the municipality to take corrective actions
47 to ensure that the enforcing agency's staffing needs are met.

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

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

14
15 3. This act shall take effect immediately.
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18 STATEMENT 19

20 This bill would modify certain inspection processes under the
21 "State Uniform Construction Code Act," P.L.1975, c.217
22 (C.52:27D-119 et seq.), to provide for charging of separate
23 inspection fees and allow the owner, agent, or other responsible
24 person in charge of construction work to independently elect, for
25 any reason, to contract with an authorized private on-site inspection
26 agency to perform a requested inspection.

27 Current law only allows owners, agents, or responsible persons
28 to choose to contract with a private on-site inspection agency under
29 certain circumstances if a local enforcing agency is unable to
30 complete a requested inspection within three business days of the
31 date for which the inspection is requested, and with the
32 authorization of the Department of Community Affairs.

33 Since the bill allows an owner, agent, or other responsible person
34 to elect to contract with an authorized private on-site inspection
35 agency for any reason, the bill eliminates a provision that
36 specifically authorized an owner, agent, or other responsible person
37 to do so under limited circumstances when an enforcing agency has
38 demonstrated a repeated inability to conduct timely inspections for
39 a construction project.