

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 1788

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 5, 2026

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 1788 (1R).

As amended by the committee, this bill requires State entities to refund application fees for permits, licenses, or certifications in certain circumstances and requires the Governor to establish target application processing times for permits, licenses, or certifications and a permitting and licensing performance dashboard.

This bill requires State entities that issue permits, licenses, or certifications to individuals and businesses to compile a catalog of the types of permits, licenses, or certifications it issues and submit that catalog to the Governor. This bill establishes information to be included in the catalog. State entities will review the catalog at least once every four years and send the review to the Governor. A comprehensive written review prepared in accordance with current law will satisfy the review requirements of the bill upon submission of the review to the Governor.

This bill requires the Governor's Office to, using uniform standards, establish target application processing times for the various types of permits, licenses, and certifications no later than one year after the effective date of the bill. This bill also requires the Governor's Office to establish uniform procedures for the suspension or extension of a processing period due to an applicant's action or omission, the identification of applications requiring coordinated review by multiple State agencies, and the escalation of applications that materially exceed applicable processing times. The Governor's office will amend, establish, or reestablish the target application processing times and uniform procedures at least once every four years upon receipt of the review required pursuant to this bill.

Notwithstanding any law, rule, or regulation to the contrary, any State entity that exceeds 15 days past the target application processing time as established under this bill after having received a completed application will refund the amount of the application fee unless otherwise prohibited by federal law. The refund will have no bearing on the disposition of the underlying application, will not constitute

approval, and will not limit the State entity's obligation to process the application.

This bill does not require a State entity to refund an application fee if a delay in processing an application is due to the applicant's failure to timely provide information reasonably necessary for the processing of the application, a material modification requested by the applicant, a delay requested or agreed to in writing by the applicant, a judicial order, a requirement of federal law or action of a federal agency, a declared state of emergency, or a substantially similar circumstance, beyond the reasonable control of the State entity, or another circumstance expressly provided by State or federal law.

The bill also does not require a State entity to refund an application fee if, after an application has been deemed complete, additional investigation, fact-finding, professional or technical review, background investigation, adjudicatory proceeding, or other review is reasonably necessary to determine whether the applicant satisfies applicable statutory, regulatory, and legal standards. The State entity will provide the applicant with written or electronic notice stating the basis for the additional review and a revised anticipated processing period. The State entity will be prohibited from extending the processing of an application based solely upon staffing shortages, administrative backlog, or ordinary workload.

This bill also requires State entities that issue permits, licenses, or certifications to individuals and businesses to establish an application completeness checklist for each type of permit, license, or certification.

This bill requires the Governor, or the Governor's designee, to designate a lead State entity to oversee the review of an application for a permit, license, or certification, or any combination thereof, if that application requires the review of multiple State entities. Additionally, the applicant submitting that application may request a pre-application conference, which will require the participation of any State entity that conducts a review of that application to the maximum extent practicable.

This bill also requires the Governor's Office, or an appropriate State entity designated by the Governor, to establish an online permitting and licensing dashboard that is accessible to the public no later than two years after the effective date of the bill and establishes information to be displayed by the dashboard. The dashboard will display the information in a manner consistent with all applicable federal and State statutory and regulatory requirements and will be updated on at least a quarterly basis.

This bill requires the Governor, or the Governor's designee, to submit to the Legislature, beginning two years after the effective date of the bill, a biennial report analyzing the performance of State entities in processing applications for permits, licenses, and certifications. The report will include certain statistics for each State entity that issues

permits, licenses, or certifications to individuals or businesses and will be made publicly available.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) require the catalog submitted by a State entity to the Governor to also include certain statistics for the applications for each type of permit, license, or certification issued by the State entity and the State entity's application completeness checklist required pursuant to the bill;

(2) require State entities that compile a catalog to review the catalog at least once every four years and send the review to the Governor, except that a comprehensive written review prepared in accordance with current law will satisfy the review requirement of the bill upon submission of the review to the Governor;

(3) clarify that the Governor's Office will, using uniform standards, establish target application processing times for the various types of permits, licenses, and certifications, as appropriate, no later than one year after the effective date of this bill and provide criteria for the target application processing times;

(4) require the target application processing times established by the Governor to include, but not be limited to, a time period in which a State entity must determine the completeness of an application, electronically notify applicants of the completion status of an application, and provide an applicant with a final determination regarding the application after notifying the applicant of application completeness;

(5) require the Governor's Office to establish uniform procedures for the suspension or extension of a processing period due to an applicant's action or omission, the identification of applications requiring coordinated review by multiple State agencies, and the escalation of applications that materially exceed applicable processing times;

(6) require the Governor's Office to amend, establish, or reestablish the target application processing times at least once every four years upon receipt of the review required pursuant to the bill;

(7) clarify that the requirement for State entities to issue refunds will be notwithstanding any law, rule, or regulation to the contrary, will be mandatory unless otherwise prohibited by federal law, will not have a bearing on the disposition of the underlying application, will not constitute approval, and will not limit the State entity's obligation to process the application;

(8) provide that a State entity will not be required to refund an application fee pursuant to the bill under certain circumstances;

(9) require any State entity that issues permits, licenses, or certifications to individuals or businesses to establish an application completeness checklist for each type of permit, license, or

certification, which will identify the information and documentation necessary for an application for that permit, license, or certification to be deemed complete and will be made available on the State entity's Internet website;

(10) define the terms "certification," "completed application," "final determination," "license," and "permit";

(11) modify the term "State entity" to mean any department or agency in the executive branch of State government, including, but not limited to, any board, commission, corporation, authority, or entity thereof;

(12) require the Governor, or the Governor's designee, to designate a lead State entity to oversee the review of an application if that application for a permit, license, or certification, or any combination thereof, requires the review of multiple State entities;

(13) permit an applicant who applies for a permit, license, or certification, or any combination thereof, requiring the review of multiple State entities to request a pre-application conference;

(14) if an applicant requests a pre-application conference, require any State entity participating in the review of the application to participate in the conference to the maximum extent practicable;

(15) require the Governor's Office, or an appropriate State entity designated by the Governor, to establish an online permitting and licensing performance dashboard that is accessible to the public no later than two years after the effective date of the bill and update the dashboard on at least a quarterly basis;

(16) establish information related to the statistics of each type of permit, license, and certification to be displayed on the permitting and licensing performance dashboard and require the information to be displayed in a manner consistent with all applicable federal and State statutory and regulatory requirements;

(17) beginning two years after the effective date of the bill, require the Governor, or the Governor's designee, to submit an annual report to the Legislature, which will include certain statistics for each State entity that issues permits, licenses, or certifications to individuals or businesses and will be made publicly available; and

(18) change the effective date of the bill from the 90th day after the date of enactment to the 180th day after the date of enactment.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that requiring a State entity that issues permits, licenses, or certifications to individuals and businesses to compile a catalog of the types of permits, licenses, or certifications it issues, develop a completeness checklist for each type of permit, license, or certification, and review the catalog once every four years will result in indeterminate annual State expenditure increases for State agencies if overtime or additional personnel are needed to comply with the bill's provisions.

In addition, the OLS estimates that requiring the Governor's Office to establish target application processing times and uniform procedures concerning application processing, create a publicly accessible online permitting and licensing performance dashboard, and provide a biennial report to the Legislature concerning application processing will result in indeterminate State expenditure increases for dashboard creation and maintenance and potential staffing needs.

Further, the OLS estimates that requiring a State entity to refund an application fee, unless otherwise prohibited by State or federal law, if the entity fails to process a completed application within 15 days following the target application processing time, notwithstanding certain exceptions provided under the bill's provisions, will result in an indeterminate reduction in annual net State revenue collections.