

ASSEMBLY, No. 3578

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:
Assemblyman STERLEY S. STANLEY
District 18 (Middlesex)

SYNOPSIS

Exempts solar energy systems from building fees.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/27/2021)

1 AN ACT exempting certain solar energy systems from fees and
2 amending P.L.1985, c.85.

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

6
7 1. Section 1 of P.L.1985, c.85 (C.52:27D-130.2) is amended to
8 read as follows:

9 1. No person shall be required to pay a **【municipal】** fee or
10 charge in order to secure a construction permit or receive plan
11 review for the installation or alteration of a solar energy **【heating or**
12 **cooling】** system in any building or part thereof. As used in this
13 **【act】** section, "solar energy **【heating and cooling】** system" means a
14 solar energy system which is certified as eligible for an exemption
15 from property taxation as a renewable energy system by **【the**
16 **Department of Community Affairs】** an enforcing agency pursuant
17 to **【P.L.1977, c.256 (C.54:4-3.113 et seq.)】** P.L.2008, c.90 (C.54:4-
18 3.113a et seq.).

19 (cf: P.L.1985, c.85, s.1)

20
21 2. Section 2 of P.L.1985, c.85 (C.52:27D-130.3) is amended to
22 read as follows:

23 2. The installation or alteration of a solar energy **【heating or**
24 **cooling】** system in any building shall not be subject to any fee,
25 including any surcharge or training fee, imposed by any department
26 or agency of State government pursuant to any law, or rule or
27 regulation. As used in this section, "solar energy system" means a
28 solar energy system which is certified as eligible for an exemption
29 from property taxation as a renewable energy system by a local
30 enforcing agency pursuant to P.L.2008, c.90 (C.54:4-3.113a et
31 seq.).

32 (cf: P.L.1985, c.85, s.2)

33
34 3. This act shall take effect immediately.

35 36 37 STATEMENT

38
39 This bill would exempt the installation or alteration of certain
40 solar energy systems from the payment of building fees and
41 charges. The bill would, essentially, reactivate a 1985 statute to
42 reinstate an expired fee exemption provision. Then and now, by
43 reducing the soft costs associated with the installation of solar
44 energy systems, this law will make these systems more affordable,
45 encourage more New Jerseyans to install solar energy systems, and

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 help reduce our State's reliance on fossil fuels.

2 The Legislature first exempted the installation of solar energy
3 systems from the payment of construction fees in 1985. However,
4 the 1985 law, P.L.1985, c.85 (C.52:27D-130.2 et seq.), provides
5 that only solar energy heating or cooling systems certified as
6 eligible for exemption from property taxation by the Department of
7 Community Affairs pursuant to P.L.1977, c.256 (C.54:4-3.113 et
8 seq.) are exempt from the construction permit and associated fees.

9 The property tax exemption statute referenced in the 1985 law,
10 N.J.S.A. 54:4-3.113 et seq., was of limited duration. It provided a
11 property tax exemption for solar equipment from 1977 through
12 1987. In 2008, New Jersey again enacted legislation exempting
13 solar energy systems from real property taxation.

14 The current property tax exemption law, N.J.S.A. 54:4-3.113a et
15 seq., applies to certain renewable energy systems. Current law
16 defines: "renewable energy system" as "any equipment that is part
17 of, or added to, a residential, commercial, industrial, or mixed use
18 building as an accessory use, and that produces renewable energy
19 onsite to provide all or a portion of the electrical, heating, cooling,
20 or general energy needs of that building." The definition of the
21 term "renewable energy" includes "(1) electric energy produced
22 from solar technologies, photovoltaic technologies, and (2) energy
23 produced from solar thermal technologies."

24 Although current New Jersey law exempts certain solar energy
25 systems from property taxation, the statutory exemption from
26 construction code fees is inactive because it cross-references an
27 expired provision of law. By deleting the outdated reference, and
28 replacing it with a reference to the current property tax exemption
29 statute, enactment of this bill will reactivate New Jersey's building
30 fee exemption for the installation of solar energy systems.