

CHAPTER 174

AN ACT concerning the review and approval of residential solar energy systems and supplementing P.L.1975, c.217 (C.52:27D-119 et seq.).

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

C.52:27D-124.5 Findings, declarations.

1. The Legislature finds and declares that:

- a. New Jersey has adopted a goal of 100 percent clean energy by 2035.
- b. Simplifying and enhancing the ability of New Jersey residents to install and use solar energy systems and home batteries is an essential component of the State's ability to attain this clean energy goal.
- c. Residential energy bills in New Jersey are among the highest in the country, imposing significant financial burdens upon New Jersey residents and thereby exacerbating the State's housing affordability crisis.
- d. Installation and use of rooftop solar energy systems is one way to enable New Jersey residents to significantly reduce residential electricity bills and thereby make housing more affordable.
- e. Vestiges of outdated, overly bureaucratic permitting requirements for installation of solar energy systems within New Jersey cause residents to significantly delay installation efforts and significantly increase costs incurred in installing residential solar energy storage systems across the State.
- f. New Jersey has the fifth-slowest known solar permitting timelines of any state in the country.
- g. The Solar Energy Industries Association has estimated that permitting and other bureaucratic barriers within New Jersey typically increase the cost of installing a residential solar energy system by \$6,000 to \$7,000.
- h. The installation costs for a residential solar energy system in the United States are approximately double the installation costs in Europe, largely because Europe has virtually eliminated permitting and other bureaucratic barriers.
- i. Approximately one in five residential solar energy installation projects are cancelled after submission of an application for a permit which, according to solar energy system installers, is largely a direct result of frustration experienced in attempting to maneuver through New Jersey's permitting processes.
- j. It has been reported that contractors who are in the business of installing residential solar energy systems and home batteries within New Jersey avoid entering into contracts to install systems within municipalities that impose especially burdensome permitting requirements and processes.
- k. Hundreds of jurisdictions across the country, representing approximately 25 percent of the national market, have removed permitting barriers to the installation of residential solar energy systems and home energy battery storage by automating the permitting process.
 1. Residential solar and home energy storage projects that receive automated permits pass inspections at similar rates to residential solar and home energy storage projects that receive traditional permits.
- m. Automated permitting has the potential to reduce the costs of residential solar energy systems, reduce installation timelines, and reduce cancellations, all of which will enable more families to install solar on their roofs and batteries in their garages.

C.52:27D-124.6 State Smart Solar Permitting Platform, definitions.

2. a. As used in this section:

"Department" means the Department of Community Affairs.

"Enforcing agency" means the municipal or county construction official and subcode officials provided for in section 8 of P.L.1975, c.217 (C.52:27D-126), or section 1 of P.L.2018, c.157 (C.52:27D-126.8) regarding a pilot county in the "County Code Enforcement Pilot Program," and assistants thereto.

"Form and format" means the arrangement, organization, configuration, structure, or style of, or method of delivery for, providing required information or providing the substantive equivalent of required information. "Form and format" does not mean altering the substance of information or the addition or omission of information.

"State Smart Solar Permitting Platform" means an Internet-based platform that uses the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.), to conduct a compliance review, automates plan review, issues approval for only code-compliant plans, and instantly releases a permit or permit revision upon the receipt of a code-compliant application to construct a residential solar energy system.

b. (1) The Commissioner of Community Affairs shall establish, develop, implement, and administer the State Smart Solar Permitting Platform for the purpose of automatically performing plan review of applications to construct a residential solar energy system and to instantly release a permit or permit revision to construct a code-compliant residential solar energy system. The commissioner shall fully implement the State Smart Solar Permitting Platform so that the platform is available for use by the department, enforcing agencies, and contractors prior to the first day of the 18th month next following the date of enactment of P.L.2025, c.174 (C.52:27D-124.5 et seq.).

(2) The State Smart Solar Permitting Platform shall:

(a) perform robust code compliance checks using algorithms to evaluate characteristics of the proposed residential solar energy system to determine whether the proposed system aligns with the requirements of the State Uniform Construction Code;

(b) issues approval for only code-compliant construction documents to be used for the inspection of a residential solar energy system and for recordkeeping purposes consistent with the requirements of the State Uniform Construction Code;

(c) instantly release permits and permit revisions to construct a residential solar energy system only upon automated confirmation that the permit application was submitted by a licensed contractor, licensed architect, or licensed engineer and that accompanying materials, including, but not limited to, plans and computations, were prepared by licensed individuals as required under relevant law or regulation, including licensed architects, licensed contractors, or licensed engineers, where required and as applicable, and are consistent with the requirements of the State Uniform Construction Code;

(d) be designed to process permit applications for, at a minimum, approximately 75 percent of residential rooftop solar energy systems that: weigh less than or are equal to four pounds per square foot, provide electrical power to detached one- and two-family dwellings, and comply with State Uniform Construction Code requirements for installation on an existing residential structure;

(e) provide users with the ability to submit an application to construct a residential solar energy system 24 hours a day, except when the platform is down for an upgrade or maintenance;

(f) be provided to the department at no-cost or low-cost if a third party provides, or third parties provide, the State Smart Solar Permitting Platform to the department;

(g) allow the use of digital signatures, stamps, seals, or certifications on all applications and submitted materials necessary for issuance of a permit;

(h) provide customer service to assist users navigating the platform;

(i) be able to process permit applications for residential solar energy systems and associated equipment including, but not necessarily limited to, photovoltaic panels, energy storage systems, main electrical panel upgrades, and main breaker derates; and

(j) be able to make updates as necessary to conform with changes to the State Uniform Construction Code or other applicable State law.

c. (1) The commissioner's implementation of the State Smart Solar Permitting Platform shall provide access to the platform, and facilitate use of the platform, by the department, local enforcing agencies, private agencies that provide plan review and inspection services, and contractors engaged in the installation of residential solar energy systems.

(2) (a) Within 18 months following the effective date of P.L.2025, c.174 (C.52:27D-124.5 et seq.), the commissioner shall implement the State Smart Solar Permitting Platform and provide for its use by the department, enforcing agencies, and contractors.

(b) A local enforcing agency shall either allow for the submission of applications to construct a residential solar energy system through the State Smart Solar Permitting Platform or through an alternative automated solar permitting platform that satisfies the requirements set forth in subsection b. of this section in an equivalent manner as the State Smart Solar Permitting Platform implemented by the department. A local enforcing agency that implements an alternative automated solar permitting platform shall enable access to the alternative platform prior to the first day of the 24th month next following the effective date of P.L.2025, c.174 (C.52:27D-124.5 et seq.). A local enforcing agency that implements an alternative automated solar permitting platform shall not require an applicant to submit documentation that is not required through the State Smart Solar Permitting Platform.

(c) A local enforcing agency that allows for the submission of residential solar energy system applications through the State Smart Solar Permitting Platform shall, within two years following the effective date of P.L.2025, c.174 (C.52:27D-124.5 et seq.), revise its permitting fee schedule to reflect any reduction in resources expended to permit residential solar energy systems.

d. (1) A local enforcing agency that does not allow for the submission of applications to construct a residential solar energy system through the State Smart Solar Permitting Platform shall submit a compliance report to the department within 60 days of the local enforcing agency's implementation of an alternative automated solar permitting platform. The department may establish guidelines for submission of a local compliance report. A local compliance report shall include, but may not be limited to:

(a) the date of compliance;

(b) the software used for compliance;

(c) documentation demonstrating that the alternative automated solar permitting platform implemented by the local enforcing agency satisfies the requirements set forth in subsection b. of this section in an equivalent manner as the platform implemented by the department.

(2) If the department determines that documentation submitted with a local compliance report pursuant to subparagraph (c) of paragraph (1) of this subsection is insufficient to verify that the platform satisfies the requirements set forth in subsection b. of this section in an equivalent manner as the platform implemented by the department, the local enforcing agency shall provide the department, at the department's request, access to the platform.

(3) The department shall provide public access to local compliance reports on the department's Internet website.

e. (1) A local enforcing agency that implements an alternative automated solar permitting platform pursuant to this section shall, commencing with April 1, 2027, submit an annual report to the department. The department may establish guidelines for annual reports required under this paragraph. An annual report shall include, but shall not be limited to:

(a) the number of permits released by the enforcing agency for residential solar energy systems through the alternative automated solar permitting platform and relevant characteristics of those systems;

(b) the number of permits released by the enforcing agency for residential solar energy systems through means other than the alternative automated solar permitting platform and relevant characteristics of those systems;

(c) documentation demonstrating that the alternative automated solar permitting platform satisfies the requirements set forth in subsection b. of this section in an equivalent manner as the platform implemented by the department.

(2) If the department determines that documentation submitted pursuant to subparagraph (c) of paragraph (1) of this subsection is insufficient to verify that the alternative automated solar permitting platform meets the requirements set forth in subsection b. of this section in an equivalent manner as the platform implemented by the department, the local enforcing agency shall provide the department, at the department's request, access to the platform.

(3) The department shall provide public access to annual reports on the department's Internet website.

f. If the department determines that a local enforcing agency has failed to allow for the submission of applications to construct a residential solar energy system through either the State Smart Solar Permitting Platform or through an alternative automated solar permitting platform as required pursuant to this section or is otherwise not in compliance with this section, the department may, in its sole discretion, condition or deny direct funding to a local unit from any program it administers .

g. The commissioner shall provide training opportunities on the use of the State Smart Solar Permitting Platform for employees of local enforcing agencies.

h. The commissioner shall, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and regulations to govern the form and format of applications for permits, approval documents, specifications and other information exchanged through the State Smart Solar Permitting Platform.

i. The department shall waive requirements related to physical signatures, stamps, seals, certifications, or notarization imposed by statute, ordinance, or rules of the department, or another department or agency, in order for the State Smart Solar Permitting Platform to accept the permit application and release the permit as long as the permit application contains a digital signature, stamp, seal, or certification.

j. The commissioner may adopt, amend, and repeal rules and regulations providing for the charging of, and setting the amount of, solar permit surcharge fees to be collected by an enforcing agency or private agency. A local enforcing agency shall remit to the department all monies collected by the agency through solar permit surcharge fees to defray the cost of developing and administering the State Smart Solar Permitting Platform.

k. A person exchanging information through either the State Smart Solar Permitting Platform or through an alternative automated solar permitting platform in a form and format acceptable to the department shall not be subject to a licensing sanction, civil penalty, fine, permit disapproval, revocation, or other sanction for failure to comply with a form or format requirement imposed by statute, ordinance, or rule that requires submission of the information in physical form, including, but not limited to, any requirement that the information be in a particular form or of a particular size, be submitted with multiple copies, be physically attached to another document, be an original document, or be signed, stamped, sealed, certified, or notarized.

1. Neither a public entity nor a public employee shall be held liable under N.J.S.59:2-5 or other applicable provision of law for injury caused by release of a permit through the State Smart Solar Permitting Platform.

m. The Department of Community Affairs, in consultation with the Board of Public Utilities and the Office of Innovation or successor agency, shall issue a request for the development of the State Smart Solar Permitting Platform consistent with the requirements of subsection b. of this section. In addition to any other requirements that the Department of Community Affairs may deem appropriate, the request for proposal shall:

- (1) incorporate the standards developed pursuant to subsection b. of this section; and
- (2) require all bidders to demonstrate experience in the development of one or more Internet-based automated permit review platforms.

3. This act shall take effect immediately.

Approved December 19, 2025.