

Community Trends®



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LEGISLATIVE UPDATE

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Green energy legislation is a hot topic in the New Jersey Legislature. Of particular interest to common interest communities (CICs) are various bills relating to electric vehicle ("EV") charging stations. As many of you are aware, in October 2020 Governor Murphy signed into law an amendment to the Planned Real Estate Development Full Disclosure Act codified at N.J.S.A. 45:22A-48.4. In essence, this law requires CICs to permit owners to install an EV charging station in a parking space that is for the exclusive use of that owner unless such an installation would pose a life-safety risk. The law includes various protections for CICs, such as homeowner insurance and indemnification requirements, and requires the owner to pay all costs of installation and removal, including costs incurred by the CIC in reviewing any plans or specifications. Significantly, the law also empowers boards to install common area communal EV charging stations and to create new parking spaces to accommodate the same.

In addition, NJ A2360 was signed into law on January 18, 2022, which requires electrical utilities to charge the residential rate for electricity used in CIC EV charging stations unless a different rate is agreed upon by the CIC pursuant to a commodities contract.

Notwithstanding the aforementioned laws, we have not experienced a flood of owner applications to install charging stations, likely due to the expense entailed in doing so. However, we have seen many CICs installing community charging stations and in so doing taking advantage of various sources of external funding, such

as PSE&G's EV commercial/multi-family charging program which provides direct funding for the installation of charging stations to multi-family properties.

Recently, the legislature has passed other legislation to encourage the development of EV charging stations in new development. For example, in July 2021 New Jersey adopted N.J.S.A. 40:55D-66.20. This law provides that as a condition of site plan approval for multi-family

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developments with more than 5 units (including CICs), a certain number of charging stations must be planned for and installed.

Considering environmental concerns and oil prices, we expect this trend to accelerate. Pending legislation includes tax incentives for installation of charging stations and fleet conversions to EVs (\$429) and additional budgetary allocations towards station installations.

The LAC is proud to support EV charging station initiatives that provide benefits to CICs and which further the environmental concerns of the residents of our state. ■