

May 7, 2015

ASSEMBLY BILL NO. 1698

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 1698 with my recommendations for reconsideration.

Home construction requires a sensible approach to safety with solutions based on the particular risks inherent in each structure. In contrast, this bill would require the Commissioner of the Department of Community Affairs ("DCA") to modify the Uniform Commercial Code to mandate the installation of sprinklers in all new homes. The only exceptions afforded by the bill are for manufactured homes and dwelling units not connected to a public water system. The bill also forbids local officials from issuing certificates of occupancy for new homes that lack sprinklers.

Mandating sprinkler installation would increase the upfront cost of every new freestanding home by thousands of dollars, even as this State's citizens continue the struggle to rebuild their lives after Superstorm Sandy. That storm left unprecedented damage across the State in its wake, leaving whole communities devastated and entire houses demolished. This bill would further burden New Jerseyans rebuilding their homes after Superstorm Sandy.

I am also concerned with the bill's inflexibility. As written, the bill would require every new home to have a sprinkler system, regardless of the individual design or construction of that dwelling. But different structures have different needs depending on their individual characteristics. For example, the safety requirements of a twenty-story apartment building are vastly different than those of a one-story brick cottage. Mandating that code officials require sprinklers in

every home, regardless of whether sprinklers are appropriate in the given structure, is unwarranted. With all construction, the law must reach the right balance between safety and cost, and I am concerned about any bill that would jettison traditional considerations in place of an unyielding mandate.

I am advised, however, that the issues of safety and cost may vary for certain kinds of new homes. Specifically, installing a sprinkler system in a townhouse can be substantially less expensive than installing it in a free-standing home. Not only are there economies of scale to reduce the per-foot cost, but the installation of sprinklers can justify foregoing other measures that would be redundant with the presence of sprinklers. Moreover, because townhouses are joined to one another, it may be appropriate to take extra steps to ensure that a fire does not spread across units or otherwise adversely affect neighboring homes.

The bill should be amended to require DCA to analyze the issue of whether sprinklers would be appropriate in townhouses. If, after comparing the marginal cost of such devices with their marginal benefits, DCA determines that sprinklers in such structures are warranted, then DCA should amend the Uniform Construction Code as it deems appropriate.

Accordingly, I herewith return Assembly Bill No. 1698 and recommend that it be amended as follows:

Page 2, Line 7:

Insert new section to read as follows: "1. The Commissioner of the Department of Community Affairs shall undertake a review to determine whether the Uniform Commercial Code should be amended to require the installation of fire suppression systems in all newly constructed townhouses. If the Commissioner determines that it is appropriate

to mandate the installation of fire suppression systems in newly constructed townhouses, the Commissioner shall amend the Uniform Commercial Code accordingly."

Page 2, Section 1, Lines 8-9:

Delete in their entirety

Page 2, Section 2, Lines 11-34:

Delete in their entirety

Page 2, Section 3, Lines 36-46:

Delete in their entirety

Page 3, Section 3, Lines 1-10:

Delete in their entirety

Page 3, Section 4, Lines 12-21:

Delete in their entirety

Page 3, Section 5, Line 23:

Delete "5." and insert "2."

Page 3, Section 5, Line 23:

Delete "on the first day of the seventh" and insert "immediately."

Page 3, Section 5, Lines 24-27:

Delete in their entirety

[seal]

Respectfully,

/s/ Chris Christie

Governor

Attest:

/s/ Christopher S. Porrino

Chief Counsel to the Governor