

P.L.2014, CHAPTER 84, *approved December 26, 2014*
Assembly, No. 3815 (*First Reprint*)

1 AN ACT concerning the extension of certain permits and approvals
2 affecting the physical development of property located within the
3 State of New Jersey and amending P.L.2008, c.78.

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

7
8 1. Section 2 of P.L.2008, c.78 (C.40:55D-136.2) is amended to
9 read as follows:

10 2. The Legislature finds and declares that:

11 a. The most recent national recession has caused one of the
12 longest economic downturns since the Great Depression of the
13 1930s and has drastically affected various segments of the New
14 Jersey economy, but none as severely as the State's banking, real
15 estate and construction sectors.

16 b. The real estate finance sector of the economy is in severe
17 decline due to the sub-prime mortgage problem and the resultant
18 widening mortgage finance crisis. The extreme tightening of
19 lending standards for home buyers and other real estate borrowers
20 has reduced access to the capital markets.

21 c. As a result of the crisis in the real estate finance sector of the
22 economy, real estate developers and redevelopers, including
23 homebuilders, and commercial, office, and industrial developers,
24 have experienced an industry-wide decline, including reduced
25 demand, cancelled orders, declining sales and rentals, price
26 reductions, increased inventory, fewer buyers who qualify to
27 purchase homes, layoffs, and scaled back growth plans.

28 d. The process of obtaining planning board and zoning board of
29 adjustment approvals for subdivisions, site plans, and variances can
30 be difficult, time consuming and expensive, both for private
31 applicants and government bodies.

32 e. The process of obtaining the myriad other government
33 approvals, required pursuant to legislative enactments and their
34 implementing rules and regulations, such as wetlands permits,
35 treatment works approvals, on-site wastewater disposal permits,
36 stream encroachment permits, flood hazard area permits, highway
37 access permits, and numerous waivers and variances, also can be
38 difficult and expensive; further, changes in the law can render these
39 approvals, if expired or lapsed, impossible to renew or re-obtain.

40 f. County and municipal governments obtain determinations of
41 master plan consistency, conformance, or endorsement with State or
42 regional plans, from State and regional government entities which

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted December 15, 2014.

1 may expire or lapse without implementation due to the state of the
2 economy.

3 g. **【The current national recession】** The most recent national
4 recession has severely weakened the building industry, and many
5 landowners and developers are seeing their life's work destroyed by
6 the lack of credit and dearth of buyers and tenants, due to the crisis
7 in real estate financing and the building industry, uncertainty over
8 the state of the economy, and increasing levels of unemployment in
9 the construction industry.

10 h. The construction industry and related trades are sustaining
11 severe economic losses, and the lapsing of government development
12 approvals would, if not addressed, exacerbate those losses.

13 i. Financial institutions that lent money to property owners,
14 builders, and developers are experiencing erosion of collateral and
15 depreciation of their assets as permits and approvals expire, and the
16 extension of these permits and approvals is necessary to maintain
17 the value of the collateral and the solvency of financial institutions
18 throughout the State.

19 j. Due to the current inability of builders and their purchasers
20 to obtain financing, under existing economic conditions, more and
21 more once-approved permits are expiring or lapsing and, as these
22 approvals lapse, lenders must re-appraise and thereafter
23 substantially lower real estate valuations established in conjunction
24 with approved projects, thereby requiring the reclassification of
25 numerous loans which, in turn, affects the stability of the banking
26 system and reduces the funds available for future lending, thus
27 creating more severe restrictions on credit and leading to a vicious
28 cycle of default.

29 k. As a result of the continued downturn of the economy, and
30 the continued expiration of approvals which were granted by State
31 and local governments, it is possible that thousands of government
32 actions will be undone by the passage of time.

33 l. Obtaining an extension of an approval pursuant to existing
34 statutory or regulatory provisions can be both costly in terms of
35 time and financial resources, and insufficient to cope with the
36 extent of the present financial situation; moreover, the costs
37 imposed fall on the public as well as the private sector.

38 m. It is the purpose of this act to prevent the wholesale
39 abandonment of approved projects and activities due to the present
40 unfavorable economic conditions, by tolling the term of these
41 approvals for a period of time, thereby preventing a waste of public
42 and private resources.

43 (cf: P.L.2012, c.48, s.1)

44

45 2. Section 3 of P.L.2008, c.78 (C.40:55D-136.3) is amended to
46 read as follows:

47 3. As used in P.L.2008, c.78 (C.40:55D-136.1 et seq.):

1 "Approval" means, except as otherwise provided in section 4 of
2 P.L.2008, c.78 (C.40:55D-136.4), any approval of a soil erosion and
3 sediment control plan granted by a local soil conservation district
4 under the authority conferred by R.S.4:24-22 et seq., waterfront
5 development permit issued pursuant to R.S.12:5-1 et seq., permit
6 issued pursuant to "The Wetlands Act of 1970," P.L.1970,
7 c.272 (C.13:9A-1 et seq.), permit issued pursuant to the "Freshwater
8 Wetlands Protection Act," P.L.1987, c.156 (C.13:9B-1 et al.),
9 approval of an application for development granted by the Delaware
10 and Raritan Canal Commission pursuant to the "Delaware and
11 Raritan Canal State Park Law of 1974," P.L.1974, c.118 (C.13:13A-
12 1 et seq.), permit issued by the New Jersey Meadowlands
13 Commission pursuant to the "Hackensack Meadowlands
14 Reclamation and Development Act," P.L.1968, c.404 (C.13:17-1 et
15 al.), approval of an application for development granted by the
16 Pinelands Commission and determination of municipal and county
17 plan conformance pursuant to the "Pinelands Protection Act,"
18 P.L.1979, c.111 (C.13:18A-1 et seq.), permit issued and center
19 designations pursuant to the "Coastal Area Facility Review Act,"
20 P.L.1973, c.185 (C.13:19-1 et seq.), septic approval granted
21 pursuant to Title 26 of the Revised Statutes, permit granted
22 pursuant to R.S.27:7-1 et seq. or any supplement thereto, right-of-
23 way permit issued by the Department of Transportation pursuant to
24 paragraph (3) of subsection (h) of section 5 of P.L.1966,
25 c.301 (C.27:1A-5), approval granted by a sewerage authority
26 pursuant to the "sewerage authorities law," P.L.1946,
27 c.138 (C.40:14A-1 et seq.), approval granted by a municipal
28 authority pursuant to the "municipal and county utilities authorities
29 law," P.L.1957, c.183 (C.40:14B-1 et seq.), an agreement with a
30 municipality, county, municipal authority, sewerage authority, or
31 other governmental authority for the use or reservation of sewerage
32 capacity, approval issued by a county planning board pursuant to
33 chapter 27 of Title 40 of the Revised Statutes, preliminary and final
34 approval granted in connection with an application for development
35 pursuant to the "Municipal Land Use Law," P.L.1975,
36 c.291 (C.40:55D-1 et seq.), permit granted pursuant to the "State
37 Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119
38 et seq.), plan endorsement and center designations pursuant to the
39 "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et al.), permit
40 or certification issued pursuant to the "Water Supply Management
41 Act," P.L.1981, c.262 (C.58:1A-1 et al.), permit granted authorizing
42 the drilling of a well pursuant to P.L.1947, c.377 (C.58:4A-5 et
43 seq.), certification or permit granted, exemption from a sewerage
44 connection ban granted, wastewater management plan approved,
45 and pollution discharge elimination system permit pursuant to the
46 "Water Pollution Control Act," P.L.1977, c.74 (C.58:10A-1 et seq.),
47 certification granted pursuant to "The Realty Improvement
48 Sewerage and Facilities Act (1954)," P.L.1954, c.199 (C.58:11-23

1 et seq.), certification or approval granted pursuant to P.L.1971,
2 c.386 (C.58:11-25.1 et al.), certification issued and water quality
3 management plan approved pursuant to the "Water Quality Planning
4 Act," P.L.1977, c.75 (C.58:11A-1 et seq.), approval granted
5 pursuant to the "Safe Drinking Water Act," P.L.1977,
6 c.224 (C.58:12A-1 et al.), permit issued pursuant to the "Flood
7 Hazard Area Control Act," P.L.1962, c.19 (C.58:16A-50 et seq.),
8 any municipal, county, regional, or State approval or permit granted
9 under the general authority conferred by State law or rule or
10 regulation, or any other government authorization of any
11 development application or any permit related thereto whether that
12 authorization is in the form of a permit, approval, license,
13 certification, permission, determination, interpretation, exemption,
14 variance, exception, waiver, letter of interpretation, no further
15 action letter, agreement or any other executive or administrative
16 decision which allows a development or governmental project to
17 proceed.

18 "Development" means the division of a parcel of land into two or
19 more parcels, the construction, reconstruction, conversion,
20 structural alteration, relocation or enlargement of any building or
21 other structure or facility, or of any grading, soil removal or
22 relocation, excavation or landfill or any use or change in the use of
23 any building or other structure or land or extension of the use of
24 land.

25 "Environmentally sensitive area" means an area designated
26 pursuant to the State Development and Redevelopment Plan
27 adopted, as of the effective date of P.L.2008, c.78, pursuant to
28 P.L.1985, c.398 (C.52:18A-196 et al.) as Planning Area 4B
29 (Rural/Environmentally Sensitive), Planning Area 5
30 (Environmentally Sensitive), or a critical environmental site, but
31 shall not include any extension area as defined in this section.

32 "Extension area" means an area designated pursuant to P.L.1985,
33 c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan),
34 Planning Area 2 (Suburban), Planning Area 3 (Fringe Planning
35 Area), Planning Area 4A (Rural Planning Area), a designated
36 center, or a designated growth center in an endorsed plan until June
37 30, 2013, or until the State Planning Commission revises and
38 readopts New Jersey's State Strategic Plan and adopts regulations to
39 refine this definition as it pertains to Statewide planning areas,
40 whichever is later; a smart growth area and planning area
41 designated in a master plan adopted by the New Jersey
42 Meadowlands Commission pursuant to subsection (i) of section 6 of
43 P.L.1968, c.404 (C.13:17-6); regional growth areas, villages, and
44 towns, designated in the comprehensive management plan prepared
45 and adopted by the Pinelands Commission pursuant to section 7 of
46 the "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-8); the
47 planning area of the Highlands Region as defined in section 3 of the
48 "Highlands Water Protection and Planning Act," P.L.2004, c.120

1 (C.13:20-3), and any Highlands center designated by the Highlands
2 Water Protection and Planning Council, established pursuant to
3 section 4 of P.L.2004, c.120 (C.13:20-4); an urban enterprise zone
4 designated pursuant to P.L.1983, c.303 (C.52:27H-60 et seq.) or
5 P.L.2001, c.347 (C.52:27H-66.2 et al.); an area determined to be in
6 need of redevelopment pursuant to sections 5 and 6 of P.L.1992,
7 c.79 (C.40A:12A-5 and 40A:12A-6) and as approved by the
8 Department of Community Affairs; or similar areas designated by
9 the Department of Environmental Protection. "Extension area"
10 shall not include an area designated pursuant to the State
11 Development and Redevelopment Plan adopted, as of the effective
12 date of P.L.2008, c.78, pursuant to P.L.1985, c.398 as Planning
13 Area 4B (Rural/Environmentally Sensitive) or Planning Area 5
14 (Environmentally Sensitive), except for any area within Planning
15 Area 4B or Planning Area 5 that is a designated center, or a
16 designated growth center in an endorsed plan.

17 "Extension period" means the period beginning January 1, 2007
18 and continuing through December 31, ~~2014~~ ¹~~2016~~ 2015¹.

19 "Government" means any municipal, county, regional, or State
20 government, or any agency, department, commission or other
21 instrumentality thereof.

22 (cf: P.L.2012, c.48, s.2)

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24 3. This act shall take effect immediately.

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29 Extends for one year expiration date of certain permits pursuant
30 to "Permit Extension Act of 2008."