AN ACT concerning the extension of certain permits and approvals
affecting the physical development of property located within the
State of New Jersey, superseding all statutory and regulatory
requirements to the contrary, and supplementing Title 40 of the
Revised Statutes.

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

1. This act shall be known and may be cited as the “Permit
Extension Act of 2008.”

2. The Legislature finds and declares that:
   a. There exists a state of economic emergency in the State of New Jersey, which began on January 1, 2006, and is anticipated to extend at least through December 31, 2012, national recession, which has drastically affected various segments of the New Jersey economy, but none as severely as the State's banking, real estate and construction sectors.
   b. The real estate finance sector of the economy is in severe decline due to the sub-prime mortgage problem and the resultant widening mortgage finance crisis. The extreme tightening of lending standards for home buyers and other real estate borrowers has reduced access to the capital markets.
   c. As a result of the crisis in the real estate finance sector of the economy, real estate developers and redevelopers, including homebuilders, and commercial, office, and industrial developers, have experienced an industry-wide decline, including reduced demand, cancelled orders, declining sales and rentals, price reductions, increased inventory, fewer buyers who qualify to purchase homes, layoffs, and scaled back growth plans.
   d. A myriad of new regulations with regard to environmental protection have significantly increased the costs of infrastructure, site remediation, and construction, putting an additional strain on the economy.
   e. The process of obtaining planning board and zoning board of adjustment approvals for subdivisions, site plans, and variances

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:

Assembly AEN committee amendments adopted June 12, 2008.
Assembly ABU committee amendments adopted June 19, 2008.
is can be difficult, time consuming and expensive, both for private applicants and government bodies.

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

g. County and municipal governments, including local sewer and water authorities, obtain permits and approvals from State government agencies, particularly the Department of Environmental Protection, which permits and approvals may expire or lapse due to the state of the economy and the inability of both the public sector and the private sector to proceed with projects authorized by the permit or approval.

County and municipal governments obtain determinations of master plan consistency, conformance, or endorsement with State or regional plans, from State and regional government entities which may expire or lapse without implementation due to the state of the economy.

The current economic crisis has severely weakened the building industry, and many landowners and developers are seeing their life's work destroyed by the lack of credit and dearth of buyers and tenants, due to the crisis in real estate financing and the building industry, uncertainty over the state of the economy, and increasing levels of unemployment in the construction industry.

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

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

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

\( [m. \text{ k.}] \) As a result of the continued downturn of the economy, and the continued expiration of approvals which were granted by State and local governments, it is possible that thousands of government actions will be undone by the passage of time.

\( [n. \text{ l.}] \) Obtaining an extension of an approval pursuant to existing statutory or regulatory provisions \( [\text{is} \text{ can be}] \) both costly in terms of time and financial resources, and insufficient to cope with the extent of the present financial \( [\text{emergency}] \text{ situation}] \); moreover, the costs imposed fall on the public as well as the private sector.

\( [o. \text{ Obtaining extensions of approvals granted by State government is frequently impossible, always difficult, and always expensive and no policy reason is served by the expiration of these permits, which were approved only after exhaustive review of the application.} \]

\( p. \text{ m.} \) It is the purpose of this act to prevent the wholesale abandonment of \( [\text{approvals}] \text{ approved projects and activities}] \) due to the present unfavorable economic conditions, by tolling the term of these approvals \( [\text{until such}] \text{ for a period of} \text{ time }] \text{(as the economy improves}] \), thereby preventing a waste of public and private resources.

3. As used in this act:

and Planning Council and the Department of Environmental Protection pursuant to the "Highlands Water Protection and Planning Act," P.L. 2004, c.120 (C.13:20-1 et al.), approval granted pursuant to Title 26 of the Revised Statutes, permit granted pursuant to R.S.27:7-1 et seq. or any supplement thereto, right-of-way permit issued by the Department of Transportation pursuant to Title 27 of the Revised Statutes or under the general authority conferred by State law paragraph (3) of subsection (h) of section 5 of P.L.1966, c.301 (C.27:1A-5), approval granted by a sewerage authority pursuant to the "sewerage authorities law," P.L.1946, c.138 (C.40:14A-1 et seq.), approval granted by a municipal authority pursuant to the "municipal and county utilities authorities law," P.L.1957, c.183 (C.40:14B-1 et seq.), approval issued by a county planning board pursuant to Chapter 27 of Title 40 of the Revised Statutes, preliminary and final approval granted in connection with an application for development pursuant to the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.), permit granted pursuant to the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.), plan endorsement and center designations pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), permit or certification issued pursuant to the "Water Supply Management Act," P.L.1981, c.262 (C.58:1A-1 et seq.), permit granted authorizing the drilling of a well pursuant to P.L.1947, c.377 (C.58:4A-5 et seq.), certification or permit granted, exemption from a sewerage connection ban granted, wastewater management plan approved, and pollution discharge elimination system permit pursuant to the "Water Pollution Control Act," P.L.1977, c.74 (C.58:10A-1 et seq.), certification granted pursuant to "The Realty Improvement Sewerage and Facilities Act (1954)," P.L.1954, c.199 (C.58:11-23 et seq.), certification or approval granted pursuant to P.L.1971, c.386 (C.58:11-25.1 et seq.), certification issued and water quality management plan approved pursuant to the "Water Quality Planning Act," P.L.1977, c.75 (C.58:11A-1 et seq.), certification or approval granted pursuant to P.L.1971, c.386 (C.58:11-25.1 et seq.), certification issued and water quality management plan approved pursuant to the "Water Quality Planning Act," P.L.1977, c.75 (C.58:11A-1 et seq.), approval granted pursuant to the "Safe Drinking Water Act," P.L.1977, c.224 (C.58:12A-1 et seq.), permit issued pursuant to the "Flood Hazard Area Control Act," P.L.1962, c.19 (C.58:16A-50 et seq.), any municipal, county, regional, or State approval or permit granted under the general authority conferred by State law or rule or regulation, or any other government authorization of any development application or any permit related thereto whether that authorization is in the form of a permit, approval, license,
certification, permission, determination, interpretation, exemption, variance, exception, waiver, letter of interpretation, no further action letter, agreement or any other executive or administrative decision which allows a development or governmental project to proceed.

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

"Environmentally sensitive area" means an area designated pursuant to the State Development and Redevelopment Plan adopted, as of the effective date of this act, pursuant to P.L.1985, c.398 (C.52:18A-196 et al.) as Planning Area 4B (Rural/Environmentally Sensitive), Planning Area 5 (Environmentally Sensitive), or a critical environmental site; the Highlands Region as defined in section 3 of P.L.2004, c.120 (C.13:20-3) but shall not include any area designated for growth in the Highlands regional master plan adopted by the Highlands Water Protection and Planning Council pursuant to P.L.2004, c.120 (C.13:20-1 et al.) and the pinelands area designated in section 10 of P.L.1979, c.111 (C.13:18A-11) but shall not include any growth area designated in the comprehensive management plan prepared and adopted by the Pinelands Commission pursuant to section 7 of the "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-8).


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

4. a. For any government approval in existence during the economic emergency extension period, the running of the period of approval is automatically suspended for the extension period of the economic emergency, except as otherwise provided hereunder; however, the tolling provided for herein shall not extend the government approval more than two years beyond the conclusion of the extension period. Nothing in this act shall shorten the duration that any approval would have had in the absence of this act, nor shall this act prohibit the granting of such additional
extensions as are provided by law when the tolling granted by this
act shall expire.

b. Nothing in this act shall be deemed to extend or purport to
extend: 1

(1) any permit or approval issued by the government of the
United States or any agency or instrumentality thereof, or to any
permit or approval by whatever authority issued of which the
duration of effect or the date or terms of its expiration are specified
or determined by or pursuant to law or regulation of the federal
government or any of its agencies or instrumentalities.

(2) any permit or approval issued pursuant to the "Pinelands
Protection Act," P.L.1979, c.111 (C.13:18A-1 et seq.) if the
extension would result in a violation of federal law, or any State
rule or regulation requiring approval by the Secretary of the Interior
pursuant to Pub.L.95-625 (16 U.S.C. s.471(i)).

(3) any permit or approval issued within an environmentally
sensitive area;

(4) any certification or approval granted pursuant to P.L.1971,
c.386 (C.58:11-25.1 et seq.);

(5) any certification or approval issued or water quality
management plan approved pursuant to the "Water Quality Planning
Act," P.L.1977, c.75 (C.58:11A-1 et seq.);

(6) any center designation pursuant to either the "Coastal Area
Facility Review Act," P.L.1973, c.185 (C.13:19-1 et seq.) or the

(7) any permit or approval within an environmentally
sensitive area issued pursuant to the "Highlands Water Protection

(8) any permit or approval issued by the Department of
Transportation pursuant to Title 27 of the Revised Statutes or under
the general authority conferred by State law, other than a right-of-
way permit issued pursuant to paragraph (3) of subsection (h) of
section 5 of P.L.1966, c.301 (C.27:1A-5) or a permit granted
pursuant to R.S.27:7-1 et seq. or any supplement thereto;

(6) any permit or approval issued pursuant to the "Flood Hazard
where work has commenced, in any phase or section of the
development, on any site improvement as defined in paragraph (1)
of subsection a. of section 41 of the "Municipal Land Use Law;"
P.L.1975, c.291, (C.40:55D-53) or on any buildings or structures; or

(7) any coastal center designated pursuant to the "Coastal Area
Facility Review Act," P.L.1973, c.185 (C.13:19-1 et seq.), that as of
March 15, 2007 (a) had not submitted an application for plan
derendorsement to the State Planning Commission, and (b) was not in
compliance with the provisions of the Coastal Zone Management
This act shall not affect any administrative consent order issued by the Department of Environmental Protection in effect or issued during the 'extension' period 'of the economic emergency' of P.L.1985, c.38 (C.13:1E-137).

Nothing in this act shall affect the ability of the Commissioner of Environmental Protection to revoke or modify a specific permit or approval, or extension thereof pursuant to this act, when that specific permit or approval contains language authorizing the modification or revocation of the permit or approval by the department.

In the event that any approval tolled pursuant to this act is based upon the connection to a sanitary sewer system, the approval's extension shall be contingent upon the availability of sufficient capacity, on the part of the treatment facility, to accommodate the development whose approval has been extended. If sufficient capacity is not available, those permit holders whose approvals have been extended shall have priority with regard to the further allocation of gallonage over those approval holders who have not received approval of a hookup prior to the date of enactment of this act. Priority regarding the distribution of further gallonage to any permit holder who has received the extension of an approval pursuant to this act shall be allocated in order of the granting of the original approval of the connection.

This act shall not toll any approval issued under the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.) in connection with an application for development involving a residential use where, subsequent to the expiration of the permit but prior to January 1, 2005, an amendment has been adopted to the master plan and the zoning ordinance to rezone the property to industrial or commercial use when the permit was issued for residential use.

Nothing in this act shall be construed or implemented in such a way as to modify any requirement of law that is necessary to retain federal delegation to, or assumption by, the State of the authority to implement a federal law or program.

Nothing in this act shall be deemed to extend the obligation of any wastewater management planning agency to submit a wastewater management plan or plan update, or the obligation of a municipality to submit a wastewater management plan or plan update, pursuant to the "Water Quality Planning Act," P.L.1977, c.75 (C.58:11A-1 et seq.) and the Water Quality Management Planning rules, N.J.A.C.7:15-1.1 et seq., adopted by the Department of Environmental Protection, effective July 7, 2008.
5. State agencies shall, within 30 days after the effective date of this act, place a notice in the New Jersey Register tolling all approvals in conformance with this act.

6. The provisions of this act shall be liberally construed to effectuate the purposes of this act.

7. This act shall take effect immediately.

The “Permit Extension Act of 2008.”