

New Jersey Enacts Permit Extension Act of 2020 to Address Delays Caused by COVID-19 Pandemic

Client Alert

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The Permit Extension Act of 2020, which New Jersey Governor Phil Murphy signed into law on July 1, 2020, will have a significant impact on pending real estate projects - both those that have received government approvals and those with pending applications before governing bodies.

The Act automatically suspends the running of the period of approval for state and local government-issued permits that were in effect on March 9, 2020 until the end of the "COVID-19 Extension Period," which is defined under the Act as the time period beginning March 9, 2020 and continuing until at least six months after the end of the public health emergency. The Act does not alter the duration of permits or approvals that expired prior to March 9, 2020.

The suspension applies to an array of state and local permits and approvals, including New Jersey Department of Environmental Protection (DEP) issued land use approvals, municipal land use approvals, flood hazard permits, water supply permits and certifications, water quality management plan approvals and other environmental approvals.

State agencies are required to place a notice in the New Jersey Register tolling permits and approvals within 30 days after the effective date of the Act. All permits or approvals must then be registered with the appropriate state agency within 30 days of such notice placement. Although guidance for the actual registration process has not yet been provided, **it is imperative that permit holders contact the appropriate state agency issuing their permit to ensure registration**, as failing to do so within the prescribed time period will render the permit or approval ineligible for extension.

The Act also extends the deadlines for the following applications under New Jersey's Municipal Land Use Law (MLUL):

- Applications pending certification as a complete application as of March 9, 2020
- Applications pending before a planning or zoning board of adjustment as of March 9, 2020

- Applications submitted by an applicant during the COVID-19 Extension Period

For applications submitted during the COVID-19 Extension Period and applications pending certification as of March 9, 2020, the deadline for municipal completeness certification is extended to the later of 120 days after March 9, 2020 or 60 days after submittal. The deadline for a municipal agency to grant or deny an application for development submitted during the COVID-19 Extension Period is extended to the later of 120 days after March 9, 2020 or 60 days after the application for development is certified as complete by the municipal agency.