

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3919

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 11, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3919, with committee amendments.

This bill, as amended, would extend certain State, regional, county, and municipal agency permits, approvals, and deadlines during the COVID-19 emergency. In order to limit the spread of COVID-19 and minimize its public health impacts, strict social distancing and other precautionary measures were implemented. As a result, much businesses and government activity was halted, disrupted, or delayed, resulting in a severe economic downturn. This bill would toll the term of permits and approvals during the course of the COVID-19 emergency in order to prevent the abandonment of approved projects, and the concomitant waste of public and private resources, as well as to be ready to quickly resume these projects when it is safe to restart normal levels of business and government activity.

This bill would create a new extension period under the "Permit Extension Act of 2008" that covers permits in existence during the period in which the COVID-19 public health emergency or state of emergency is in effect. Such approvals would not extend beyond six months after the conclusion of the extension period, except that for a construction project suspended pursuant to either the Governor's Executive Order No. 122 or any other government order, the tolling period would be 12 months beyond the conclusion of the COVID-19 extension period.

The bill also suspends certain requirements and timeframes imposed pursuant to P.L.2019, c.397 (C.13:1E-127.1 et al.), applicable to a person who performs soil and fill recycling services related to road or bridge construction activities.

The bill also would extend certain timeframes by which planning and zoning boards have to grant or deny certain applications pursuant to the "Municipal Land Use Law" in order to provide adequate time to evaluate projects already in the pipeline during a time in which it is difficult to conduct government business.

The bill also requires State agencies to place a notice in the New Jersey Register tolling approvals within 30 days of the effective date of the bill.

The bill takes effect immediately and is retroactive to March 9, 2020, when Executive Order No. 103 was issued, declaring a public health emergency and state of emergency in response to COVID-19.

COMMITTEE AMENDMENTS:

The committee amendments:

- provide that for a construction project suspended pursuant to either the Governor’s Executive Order No. 122 or any other government order, the tolling period for approvals would be 12 months beyond the conclusion of the COVID-19 extension period.
- suspend certain requirements and timeframes imposed pursuant to P.L.2019, c.397 (C.13:1E-127.1 et al.), applicable to a person who performs soil and fill recycling services related to road or bridge construction activities.
- extend certain timeframes by which planning and zoning boards have to grant or deny certain applications pursuant to the "Municipal Land Use Law" in order to provide adequate time to evaluate projects already in the pipeline during a time in which it is difficult to conduct government business.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill will result in an indeterminate, temporary loss of State and local revenues from the extension of certain State, regional, county, and municipal agency permit approvals for the duration of the COVID-19 emergency and for up to twelve months thereafter in some cases. The bill defines the “COVID-19 extension period” to be the period beginning March 9, 2020 and continuing for as long as a public health emergency or state of emergency has been declared by the Governor in response to the pandemic.

The OLS notes that there are fees associated with the renewal of certain types of permits and applications. State and local entities would not collect these fees for permits and applications that would otherwise need renewal during the extension period.

Some benefits to the State and local economies could be realized from the preservation of existing approvals for property owners and developers, and the avoidance of permit and application review fees that otherwise would have been paid by the business community.

Specific estimates cannot be quantified because the OLS is unable to obtain reliable information regarding the number of outstanding environmental and land use permits, as well as outstanding applications for development, having approval periods that would be suspended by this bill that would otherwise need to