



- 1 (6) County and municipal governments, including local sewer and water  
2 authorities, obtain permits and approvals from State government agencies,  
3 particularly the Department of Environment and Natural Resources, which  
4 permits and approvals may expire or lapse due to the state of the economy  
5 and the inability of both the public sector and the private sector to proceed  
6 with projects authorized by the permit or approval.
- 7 (7) County and municipal governments also obtain determinations of master  
8 plan consistency, conformance, or endorsement with State or regional plans,  
9 from State and regional government entities that may expire or lapse without  
10 implementation due to the state of the economy.
- 11 (8) The current national recession has severely weakened the building industry,  
12 and many landowners and developers are seeing their life's work destroyed  
13 by the lack of credit and dearth of buyers and tenants, due to the crisis in real  
14 estate financing and the building industry, uncertainty over the state of the  
15 economy, and increasing levels of unemployment in the construction  
16 industry.
- 17 (9) The construction industry and related trades are sustaining severe economic  
18 losses, and the lapsing of government development approvals would  
19 exacerbate, if not addressed, those losses.
- 20 (10) Financial institutions that lent money to property owners, builders, and  
21 developers are experiencing erosion of collateral and depreciation of their  
22 assets as permits and approvals expire, and the extension of these permits  
23 and approvals is necessary to maintain the value of the collateral and the  
24 solvency of financial institutions throughout the State.
- 25 (11) Due to the current inability of builders and their purchasers to obtain  
26 financing, under existing economic conditions, more and more  
27 once-approved permits are expiring or lapsing and, as these approvals lapse,  
28 lenders must reappraise and thereafter substantially lower real estate  
29 valuations established in conjunction with approved projects, thereby  
30 requiring the reclassification of numerous loans which, in turn, affects the  
31 stability of the banking system and reduces the funds available for future  
32 lending, thus creating more severe restrictions on credit and leading to a  
33 vicious cycle of default.
- 34 (12) As a result of the continued downturn of the economy, and the continued  
35 expiration of approvals that were granted by State and local governments, it  
36 is possible that thousands of government actions will be undone by the  
37 passage of time.
- 38 (13) Obtaining an extension of an approval pursuant to existing statutory or  
39 regulatory provisions can be both costly in terms of time and financial  
40 resources and insufficient to cope with the extent of the present financial  
41 conditions; moreover, the costs imposed fall on the public as well as the  
42 private sector.
- 43 (14) Obtaining extensions of approvals granted by State government is frequently  
44 impossible, always difficult, and always expensive, and no policy reason is  
45 served by the expiration of these permits, which were approved only after  
46 thorough review of the application.
- 47 (15) It is the purpose of this act to prevent the wholesale abandonment of already  
48 approved projects and activities due to the present unfavorable economic  
49 conditions, by tolling the term of these approvals for a finite period of time  
50 as the economy improves, thereby preventing a waste of public and private  
51 resources.

1           **SECTION 3.** Definitions. – As used in this act, the following definitions apply:

- 2           (1) Approval. – Except as otherwise provided in Section 4 of this act, any  
3           detailed statement by a State agency under G.S. 113A-4; any detailed  
4           statement submitted by a special-purpose unit of government or a private  
5           developer of a major development project under G.S. 113A-8; any finding of  
6           no significant impact prepared by a State agency under Article 1 of Chapter  
7           113A of the General Statutes; any approval of an erosion and sedimentation  
8           control plan granted by a local government or by the North Carolina  
9           Sedimentation Control Commission under Article 4 of Chapter 113A of the  
10          General Statutes; any permit for major development or minor development,  
11          as defined in G.S. 113A-118, or any other permit issued under the Coastal  
12          Area Management Act (CAMA), Part 4 of Article 7 of Chapter 113A of the  
13          General Statutes; any water or wastewater permit issued under Article 10 or  
14          Article 11 of Chapter 130A of the General Statutes; any building permit  
15          issued under Article 9 of Chapter 143 of the General Statutes; any discharge,  
16          nondischarge, or extension permit issued under Part 1 of Article 21 of  
17          Chapter 143 of the General Statutes; any stream origination certifications  
18          issued under Article 21 of Chapter 143 of the General Statutes; any water  
19          quality certification under Article 21 of Chapter 143 of the General Statutes;  
20          any air quality permit issued by the Environmental Management  
21          Commission under Article 21B of Chapter 143 of the General Statutes; any  
22          approval by a county of sketch plans, preliminary plats, plats regarding a  
23          subdivision of land, a site specific development plan or a phased  
24          development plan, a development permit, or a building permit under Article  
25          18 of Chapter 153A of the General Statutes; any approval by a city of sketch  
26          plans, preliminary plats, or plats regarding a subdivision of land, a site  
27          specific development plan or a phased development plan, a development  
28          agreement, or a building permit under Article 19 of Chapter 160A of the  
29          General Statutes; any certificate of appropriateness issued by a preservation  
30          commission of a city under Part 3C of Article 19 of Chapter 160A of the  
31          General Statutes; when the approval under this subdivision pertains to the  
32          development of land or to the provision of water or wastewater services by a  
33          government entity and whether the approval under this subdivision is in the  
34          form of a permit, approval, license, certification, permission, determination,  
35          interpretation, exemption, variance, exception, waiver, letter of  
36          interpretation, no further action letter, agreement, or any other executive or  
37          administrative decision that allows the development or provision of services  
38          to proceed.
- 39          (2) Area of environmental concern. – An area designated under G.S. 113A-113  
40          by the Coastal Resources Commission.
- 41          (3) Development. – The division of a parcel of land into two or more parcels,  
42          the construction, reconstruction, conversion, structural alteration, relocation,  
43          or enlargement of any building or other structure or facility, or of any  
44          grading, soil removal or relocation, excavation or landfill, or any use or  
45          change in the use of any building or other structure or land or extension of  
46          the use of land.
- 47          (4) Extension period. – The period beginning January 1, 2007, and continuing  
48          through December 31, 2010.
- 49          (5) Government. – Any municipal, county, regional, or State government, or any  
50          agency, department, commission, or other instrumentality thereof.

- 1 (6) Substantially altered. – Any change to the plans regarding the approval  
2 under subdivision (1) of this section that does not constitute a "permit  
3 amendment" or a "new permit," including a change in ownership or  
4 corporate structure of a permitted facility, a change to the permit that is the  
5 subject of the approval that increases by ten percent (10%) or more the  
6 population or the geographic area to be served by the development project,  
7 or a change in the category or characterization of the development project.  
8 As used in this subdivision, "permit" includes any license, certification,  
9 permission, determination, interpretation, exemption, variance, exception,  
10 waiver, letter of interpretation, no further action letter, agreement, or any  
11 other executive or administrative decision that allows a development or  
12 governmental project to proceed.

13 **SECTION 4.(a)** For any government approval in existence during the extension  
14 period, the running of the period of approval is automatically suspended for the extension  
15 period, except as otherwise provided hereunder; however, the tolling provided for herein shall  
16 not extend the government approval more than six months beyond the conclusion of the  
17 extension period. Nothing in this act shall shorten the duration that any approval would have  
18 had in the absence of this act, nor shall this act prohibit the granting of such additional  
19 extensions as are provided by law when the tolling granted by this act expires.

20 **SECTION 4.(b)** Nothing in this act shall be deemed to extend or purport to extend:

- 21 (1) Any permit or approval under Section 3 of this act when the permit or  
22 approval is for a development project that has been substantially altered  
23 since the permit or approval was granted, as determined by the government  
24 that granted the permit or approval.  
25 (2) Any permit or approval issued by the government of the United States or any  
26 agency or instrumentality thereof, or to any permit or approval by whatever  
27 authority issued of which the duration of effect or the date or terms of its  
28 expiration are specified or determined by or pursuant to law or regulation of  
29 the federal government or any of its agencies or instrumentalities.  
30 (3) Any permit or approval issued within an area of environmental concern.  
31 (4) Any Department of Transportation permit other than a right-of-way permit.

32 **SECTION 4.(c)** This act shall not affect any administrative consent order issued by  
33 the Department of Environment and Natural Resources in effect or issued during the extension  
34 period.

35 **SECTION 4.(d)** Nothing in this act shall affect the ability of the Secretary of  
36 Environment and Natural Resources to revoke or modify a specific permit or approval, or  
37 extension thereof pursuant to this act, when that specific permit or approval contains language  
38 authorizing the modification or revocation of the permit or approval by the Department of  
39 Environment and Natural Resources. Nothing in this act shall affect the ability of the  
40 Environmental Management Commission to revoke or modify a specific permit or approval, or  
41 extension thereof pursuant to this act, when that specific permit or approval contains language  
42 authorizing the modification or revocation of the permit or approval by the Environmental  
43 Management Commission.

44 **SECTION 4.(e)** In the event that any approval tolled pursuant to this act is based  
45 upon the connection to a sanitary sewer system, the approval's extension shall be contingent  
46 upon the availability of sufficient capacity, on the part of the treatment facility, to  
47 accommodate the development whose approval has been extended. If sufficient capacity is not  
48 available, those permit holders whose approvals have been extended shall have priority with  
49 regard to the further allocation of gallonage over those approval holders who have not received  
50 approval of a hookup prior to the effective date of this act. Priority regarding the distribution of

1 further gallonage to any permit holder who has received the extension of an approval pursuant  
2 to this act shall be allocated in order of the granting of the original approval of the connection.

3 **SECTION 4.(f)** Nothing in this act shall be construed or implemented in such a  
4 way as to modify any requirement of law that is necessary to retain federal delegation to, or  
5 assumption by, the State of the authority to implement a federal law or program.

6 **SECTION 5.** Each State agency shall, within 30 days after the effective date of this  
7 act, place a notice in the North Carolina Register tolling all approvals in conformance with this  
8 act.

9 **SECTION 6.** The provisions of this act shall be liberally construed to effectuate  
10 the purposes of this act.

11 **SECTION 7.** This act is effective when it becomes law.