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Real Estate Alert

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With limited exceptions, the Massachusetts Permit Extension Act extends the term of permits and licenses

By Michael Murray and Jennifer Schultz

The Massachusetts 2024 Permit Extension Act automatically extends most State and local permits and approvals for land use projects.



What's the impact?

- The Act retroactively revives, for an additional two years, qualifying approvals that expired between January 1, 2023, and January 1, 2025, and extends by two years, those that remained in effect as of January 1, 2025.
- The Act freezes the applicable municipal ordinances and bylaws that were in effect when the approval was granted unless the holder of the approval waives such protection. (This freeze does not apply to regional and state approvals.)

On November 20, 2024, Governor Healy signed into law, as part of An Act to Strengthen Massachusetts' Economic Leadership (also known as the Mass Leads Act), a permit extension act (2024 Permit Extension Act and "Act"). 2024 Mass. Acts c. 238, § 280. The Act took effect on the

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day it was signed. Similar to Massachusetts Permit Extension acts adopted in 2010 and 2012, the 2024 Permit Extension Act, subject to limited exceptions, **automatically** extends, by two years, **any** "approval," which is broadly defined to include, among other things, any permit, certificate, determination, license, variance, waiver, or order (except for enforcement orders) from any **Massachusetts** state, regional, or municipal government entity (thus, the Act does not extend federal permits) that (i) concerns the use or development of real property (which use or development is broadly defined to include the division of any parcel of land into two or more parcels; the reconstruction, conversion, structural alteration, relocation, or enlargement of a building, structure or facility; any grading, soil removal or relocation, excavation. or landfill; and any use or change in use of any building or other structure or land or extension of the use of land) and (ii) was "in effect or existence" during the "tolling period," which is January 1, 2023–January 1, 2025, inclusive.

By means of example, the 2024 Permit Extension Act retroactively revives, for an additional two years, qualifying approvals that expired between January 1, 2023, and January 1, 2025 (inclusive) and extends, by two years, qualifying approvals that remained in effect as of January 1, 2025.

The State and local approvals that are **not** subject to extension under the 2024 Permit Extension Act include the following: enforcement orders, consent decrees, and settlement agreements; approvals that were properly revoked during the tolling period; approvals for which the duration of effect or terms of expiration are set by federal law, regulation, or agency; certain state-issued hunting fishing, and agricultural licenses; approvals or other administrative actions by the Massachusetts Department of Energy Resources under 225 CMR 20.00, G.L. c. 25A, § 17(c) or corresponding regulations under 225 CMR 21.00; and any agreement entered into by the Massachusetts Department of Transportation or the Massachusetts Bay Transportation Authority or any approval issued by either such entity relating to the sale, acquisition, lease, or development of real property owned, in whole or in part, by either such entity or the sale, acquisition, lease, or development of any interest related to such real property pursuant to G.L. c. 6C or G.L. c. 161A.

OTHER IMPACTS OF THE 2024 PERMIT EXTENSION ACT INCLUDE THE FOLLOWING:

For any project covered by a qualifying approval that was in effect between January 1, 2023, and January 1, 2025, inclusive, the Act freezes the applicable **municipal** ordinances and bylaws that were in effect when the approval was granted unless the holder of the approval waives such protection (this freeze does not apply to regional and state approvals).

- / Municipal, regional, and state entities retain the authority to revoke or modify an approval or its extension where the approval itself or the applicable law authorizes such revocation or modification.
- If the Act extends an approval that is based on connecting to a sanitary system, the extension shall be contingent upon the availability of the treatment facility having sufficient capacity to



- accommodate the contemplated development and, if sufficient capacity is not available, the holder of the extended approval shall have priority to the further allocation of gallonage over those who, prior to November 20, 2024, have not received approval for a hookup; and
- / Where an owner or petitioner sells or transfers a property or project in order to receive an extension, all commitments made by the original owner or petitioner under the terms of the extended approval shall be assigned to and assumed by the new owner or petitioner and, if the new owner or petitioner does not satisfy such commitments, the Act shall not extend the approval.

The Executive Office of Economic Development is expected to publish guidance concerning the 2024 Permit Extension Act, which is likely to be similar to that provided for the 2012 Act.

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