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Introduced by M. of A. STIRPE, SHIMSKY, GALLAGHER, SIMON, GONZALEZ-ROJAS, DAVILA, SHRESTHA, TAPIA, SIMONE, K. BROWN, ROSENTHAL, FORREST, REYES, RAGA, DE LOS SANTOS -- read once and referred to the Committee on Energy

AN ACT to amend the public authorities law, the state finance law, the energy law, the executive law, the labor law and the emergency tenant protection act of nineteen seventy-four, in relation to enacting the "bucks for boilers act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "bucks for boilers act".

§ 2. The public authorities law is amended by adding a new section 1885 to read as follows:

§ 1885. Bucks for boilers program. 1. The authority, in consultation with the department of public service, shall establish a program to aid in the transition of all existing housing units' heating and cooling from reliance on combusting oil and gas, to electric heat pumps and other high energy efficiency upgrades, systems and services.

2. Using funds made available from the bucks for boilers fund as set forth in section ninety-nine-ss of the state finance law, the authority shall ensure that any building or household existing in a disadvantaged community, as such term is defined by the climate justice working group established under section 75-0111 of the environmental conservation law, or buildings housing formerly-incarcerated individuals, with a priority to buildings owned by low-income homeowners or rented to low-income tenants, shall be eligible for full-cost funding for the procurement and installation of equipment to be compliant with the energy efficiency standards set forth under section 11-104 of the energy law, including the procurement and installation of non-fossil fuel heating and cooling and hot water systems and other high energy efficiency systems, includ-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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ing electrical panel and wiring upgrades and induction or electric stoves. For purposes of this subdivision, installation shall also include bringing eligible housing into a state of good repair. A multi-family building shall be considered low-income if at least fifty percent of the households within such building have incomes less than sixty percent of area medium income. A multifamily building shall be considered medium-income if at least fifty percent of households within such building have incomes between sixty percent and one hundred twenty percent of area median income.

3. Using funds made available from the bucks for boilers fund as set forth in section ninety-nine-ss of the state finance law, the authority shall subsidize each residential housing building's transition through the following household income thresholds:

(a) low-to-moderate income households with an income below one hundred twenty percent area median income shall receive one hundred percent of the cost of the project;

(b) medium-income households with an income between one hundred twenty percent and one hundred eighty percent area medium income shall receive eighty percent of the cost of the project; and

(c) high-income households with an income over one hundred eighty percent of area medium income shall receive fifty percent of the cost of the project.

4. Using funds made available from the bucks for boilers fund as set forth in section ninety-nine-ss of the state finance law, the authority shall create a program to pay up to fifty thousand dollars per unit for any privately owned residential housing for the procurement and installation of equipment to be compliant with the energy efficiency standards set forth under section 11-104 of the energy law, including the procurement and installation of non-fossil fuel heating and cooling and hot water systems and other high energy efficiency systems, including electrical panel and wiring upgrades and induction or electric stoves, as well as to ensure that such housing is in a state of good repair. Funds from the bucks for boilers fund shall be provided to households or their contractors in advance of the commencement of such procurement and installation provided that the authority has reviewed and approved such projects.

5. Using funds made available from the bucks for boilers fund as set forth in section ninety-nine-ss of the state finance law, the authority shall subsidize the procurement and installation of equipment to be compliant with the energy efficiency standards set forth under section 11-104 of the energy law, including the procurement and installation of non-fossil fuel heating and cooling and hot water systems and other high energy efficiency systems, for all public housing units throughout the state, as well as to ensure that such housing is in a state of good repair.

6. Using funds made available from the bucks for boilers fund as set forth in section ninety-nine-ss of the state finance law, the authority shall establish affordability programs to pay any additional costs of utility bills in order to ensure that no low-to-moderate income households face a higher cost for heating and cooling that may be incurred as a result of conversion to electric heat pumps and/or other high energy efficiency equipment for heating and cooling. For the purposes of this subdivision "low-to-moderate income households" shall mean households with annual incomes at or below eighty percent of the area median income of the county or metro area where they reside. These affordability programs shall also assist households with annual incomes above eighty

percent of the area median income of the county or metro area to help defray additional costs but only where funds are available after prioritization of households with annual incomes at or below eighty percent of the area median income of the county or metro area where they reside, and with prioritization with any such funds or assistance for comparatively lower-income over higher-income households within the distribution of households over eighty percent of the area median income of the county or metro area where they reside.

7. The authority shall include requirements that to be eligible for receiving funds under this program, building owners:

(a) are prohibited for a period of five years following the completion of work under this program from rent increases for temporary major capital improvement and individual apartment improvements for buildings undertaking energy efficiency, boiler, furnace, stove replacements, electrical panel, electrical wiring or related work stemming directly from the building's adherence to requirements enacted pursuant to this section; and

(b) shall extend the lease of tenants for no less than five years following the completion of work under this program.

8. (a) The authority shall promulgate requirements for eligibility to receive funds under this program which prohibit buildings from initiating eviction proceedings, fail to renew a lease or otherwise seek to remove a tenant from housing accommodation, except:

(i) in situations of non-payment of rent;

(ii) where the tenant is violating a substantial obligation of the tenancy and has failed to cure such violation within ten days;

(iii) where the tenant is committing or permitting a nuisance in the housing accommodation;

(iv) where the tenant's occupancy or use or permitted use of the housing accommodation is in violation of the law; or

(v) where the tenant has unreasonably refused the landlord's access to the housing accommodation for the purpose of making repairs and improvements.

(b) A rent increase is presumed to be unreasonable and not a basis for eviction if it exceeds either three percent of the previous rental amount or one and one-half times the annual percentage change in the consumer price index for the relevant region, whichever is higher.

9. The authority, in consultation with the department of corrections and community supervision, shall include requirements that to be eligible for receiving funds over fifty thousand dollars under this program, all work done in the procurement and installation of non-fossil fuel heating and cooling systems on state-owned properties or in properties that receive subsidies from the state shall, to the greatest extent possible, provide training and hiring of formerly-incarcerated individuals.

10. (a) Nothing in this program shall alter the rights or benefits, privileges, including but not limited to terms and conditions of employment, civil service status, and collective bargaining unit membership, of any current employees of the authority.

(b) Nothing in this program shall result in: (i) the discharge, displacement, or loss of position, including partial displacement such as a reduction in hours of non-overtime work, wages, or employment benefits; (ii) the impairment of existing collective bargaining agreements; or (iii) the transfer of existing duties and functions.

11. The authority shall ensure that the bucks for boilers program does not enable landlords to shift energy costs to their tenants by requiring

tenants to pay for heating costs after electrification where such landlords had been paying tenants' heating costs prior to electrification.

12. The authority shall issue relevant guidance for providing funding under this program, including but not limited to guidance on programs offered by the authority which provide funding to assist with compliance with changes in subdivisions seven and eight of section 11-104 of the energy law made by the chapter of the laws of two thousand twenty-five that added this section. The authority shall make such information available by engaging and paying for large-scale advertising, mailings, door-to-door canvassing, community outreach, programming in schools, and anything else the authority deems necessary and reasonable to ensure the public is fully aware and that a wide understanding that such programs exist, including rights and responsibilities of landlords and tenants, is achieved in the public in all regions and demographics of the state.

13. Using funds made available from the bucks for boilers fund as set forth in section ninety-nine-ss of the state finance law, the authority shall administer a program to provide grants, loans or other services, based on standards and guidelines established by the authority, for the costs related to enabling fuel-switching for residences with propane or fuel-oil heating systems to efficient electric heat pumps, including but not limited to, clean energy measures, energy efficiency measures, resiliency measures, heating and cooling, health and safety, and other related energy improvements and expenses, as well as to ensure such housing is in a state of good repair.

§ 3. Section 1854 of the public authorities law is amended by adding a new subdivision 27 to read as follows:

27. All revenues generated pursuant to regulations or actions taken by the department of public service, the authority or any other state entity, pursuant to section eighteen hundred eighty-five of this title, shall be placed into a segregated authority funding account, established pursuant to section eighteen hundred sixty-a of this title, prior to programmatic or administrative allocation, and shall not be commingled with other authority funds. Within thirty days following receipt of revenues generated pursuant to regulations or actions pursuant to section eighteen hundred eighty-five of this title, the authority shall transfer from such segregated authority funding account to the bucks for boilers fund established pursuant to section ninety-nine-ss of the state finance law.

§ 4. The state finance law is amended by adding a new section 99-ss to read as follows:

§ 99-ss. Bucks for boilers fund. 1. There is hereby established in the joint custody of the commissioner of taxation and finance and the state comptroller a special fund to be known as the "bucks for boilers fund".

2. (a) The bucks for boilers fund shall consist of moneys received by the state pursuant to subdivision twenty-seven of section eighteen hundred fifty-four of the public authorities law, and all other moneys appropriated, credited, or transferred thereto from any other fund or source pursuant to law including the annual deposit of four billion dollars by the president of the New York state energy research and development authority. Moneys of the account shall be expended for the purposes of providing up-front financial assistance to residential building owners and renters to convert their existing space or water heating equipment to energy efficient zero-emissions equipment or building systems and energy efficiency and resiliency measures including but not limited to: (i) purposes which are consistent with the scoping plan prepared pursuant to section 75-0103 of the environmental conservation

law; (ii) measures which prioritize such conversions and measures in disadvantaged communities; (iii) measures which prioritize residential buildings on delivered fuels such as propane and heating oil; (iv) financial assistance for the cost of upgrading dilapidated housing to a state of good repair; (v) removal of fossil fuel combustion equipment and building systems; and (vi) administrative and implementation costs, program design, and other associated costs.

(b) Moneys of such account shall not be expended for the purposes of: (i) providing financial assistance to residential building owners or renters to convert their existing space or water heating equipment to electric resistance or biofuel equipment; (ii) the installation or purchase of carbon capture technologies or equipment; or (iii) the installation or purchase of energy efficient gas boilers.

3. Moneys in the bucks for boilers fund shall be kept separate from and shall not be commingled with any other moneys in the custody of the comptroller or the commissioner of taxation and finance. Provided, however, that any moneys of the fund not required for immediate use may, at the discretion of the comptroller, in consultation with the director of the division of the budget, be invested by the comptroller in obligations of the United States or of the state. The proceeds of any such investment shall be retained by the fund as assets to be used for purposes of the fund.

§ 5. Subdivision 6 of section 11-104 of the energy law is amended by adding a new paragraph (c) to read as follows:

(c) In addition to paragraphs (a) and (b) of this subdivision, to support the goal of zero on-site greenhouse gas emissions and help achieve the state's clean energy and climate agenda, including but not limited to greenhouse gas reduction requirements set forth within chapter one hundred six of the laws of two thousand nineteen, also known as the New York state climate leadership and community protection act, the code shall prohibit prohibited emissions, in any existing building not more than seven stories in height, except for existing commercial or industrial buildings greater than one hundred thousand square feet in conditioned floor area, on or after December thirty-first, two thousand twenty-nine, and the code shall prohibit prohibited emissions, in all existing buildings after December thirty-first, two thousand thirty-four.

§ 6. Paragraph (b) of subdivision 7 of section 11-104 of the energy law, as added by section 1 of part RR of chapter 56 of the laws of 2023, is amended and a new paragraph (a-1) is added to read as follows:

(a-1) The provisions set forth in paragraph (c) of subdivision six of this section shall not be construed as prohibiting the continued use and maintenance of fossil-fuel equipment and building systems, including as related to cooking equipment, installed prior to the effective date of the applicable prohibition.

(b) In addition, in effectuating the provisions set forth in [~~paragraph~~] paragraphs (b) and (c) of subdivision six of this section the code shall include exemptions for the purposes of allowing prohibited emissions and the installation and use of fossil-fuel equipment and building systems where such are installed and used:

(i) for generation of emergency back-up power and standby power systems;

(ii) in a manufactured home as defined in subdivision seven of section six hundred one of the executive law; or

(iii) in a building or part of a building that is used as a manufacturing facility, commercial food establishment, laboratory, car wash, laundromat, hospital, other medical facility, critical infrastructure, including but not limited to emergency management facilities, wastewater treatment facilities, and water treatment and pumping facilities, agricultural building, fuel cell system, or crematorium, as such terms are defined by the code council.

§ 7. Subdivision 8 of section 11-104 of the energy law is amended by adding a new paragraph (c) to read as follows:

(c) "Prohibited emissions" shall mean the emission of twenty-five kilograms or more of carbon dioxide per million British thermal units of energy, as determined by the United States energy information administration, provided however, the emission of twenty-five kilograms or more of carbon dioxide per million British thermal units of energy or more shall not mean "prohibited emissions" where such emissions occur in connection with a device that contains no connection to a building's gas supply line or fuel oil piping system, is used on an intermittent basis, and is not used to supply a building with heat or hot water.

§ 8. Paragraphs c and e of subdivision 19 of section 378 of the executive law, as added by section 3 of part RR of chapter 56 of the laws of 2023, are amended and two new paragraphs a-1 and b-1 are added to read as follows:

a-1. To support the goal of zero on-site gas emissions and help achieve the state's clean energy and climate agenda, including but not limited to greenhouse gas reduction requirements set forth within chapter one hundred six of the laws of two thousand nineteen, also known as the New York state climate leadership and community protection act, the uniform code shall prohibit prohibited emissions, in any existing building not more than seven stories in height, except for existing commercial or industrial buildings greater than one hundred thousand square feet in conditioned floor area, on or after December thirty-first, two thousand twenty-nine, and the uniform code shall prohibit prohibited emissions, in all existing buildings on or after December thirty-first, two thousand thirty-four.

b-1. The provisions set forth in paragraph a-1 of this subdivision shall not be construed as prohibiting the continued use and maintenance of fossil-fuel equipment and building systems, including as related to cooking equipment, installed prior to the effective date of the applicable prohibition.

c. In addition, in effectuating the provisions set forth in [~~paragraph~~] paragraphs a and a-1 of this subdivision the code shall include exemptions for the purposes of allowing prohibited emissions and the installation and use of fossil-fuel equipment and building systems where such systems are installed and used:

(i) for generation of emergency back-up power and standby power systems;

(ii) in a manufactured home as defined in subdivision seven of section six hundred one of [~~the executive law~~] this chapter; or

(iii) in a building or part of a building that is used as a manufacturing facility, commercial food establishment, laboratory, car wash, laundromat, hospital, other medical facility, critical infrastructure, including but not limited to emergency management facilities, wastewater treatment facilities, and water treatment and pumping facilities, agricultural building, fuel cell system, or crematorium, as such terms are defined by the code council.

e. Exemptions included in the uniform code pursuant to this subdivision shall be periodically reviewed by the code council to [~~assure~~] ensure that they continue to effectuate the purposes of [~~paragraph~~]

paragraphs a **and a-1** of this subdivision and subparagraph three of paragraph b of subdivision two of section three hundred seventy-one of this article to the fullest extent feasible.

§ 9. Paragraph g of subdivision 19 of section 378 of the executive law is amended by adding a new subparagraph (iii) to read as follows:

(iii) "Prohibited emissions" shall mean the emission of twenty-five kilograms or more of carbon dioxide per million British thermal units of energy, as determined by the United State energy information administration, provided however, the emission of twenty-five kilograms or more of carbon dioxide per million British thermal units of energy or more shall not mean "prohibited emissions" where such emissions occur in connection with a device that contains no connection to a building's gas supply line or fuel oil piping system, is used on an intermittent basis, and is not used to supply a building with heat or hot water.

§ 10. Section 224-f of the labor law, as amended by chapter 100 of the laws of 2025, is amended to read as follows:

§ 224-f. Wage requirements for certain climate risk-related and energy transition projects **and bucks for boilers projects**. 1. For purposes of this section, a "covered climate risk-related and energy transition project" means a construction project that receives at least one hundred thousand dollars of funds from the New York climate action fund climate investment account established pursuant to section ninety-nine-qq of the state finance law or the climate change adaptation fund established pursuant to section ninety-seven-m of the state finance law **and a "covered bucks for boilers project" means a construction project that receives at least one hundred thousand dollars of funds from the bucks for boilers fund established pursuant to section ninety-nine-ss of the state finance law**.

2. A covered climate risk-related and energy transition project **and a covered bucks for boilers project** shall be subject to prevailing wage requirements in accordance with sections two hundred twenty, two hundred twenty-a, two hundred twenty-b, two hundred twenty-i, two hundred twenty-three, and two hundred twenty-four-b of this article, provided that a covered climate risk-related and energy transition project **and a covered bucks for boilers project** may still otherwise be considered a covered project pursuant to section two hundred twenty or two hundred twenty-four-a of this article if it meets the definition therein.

3. For purposes of this section, a covered climate risk-related and energy transition project **and a covered bucks for boilers project** shall exclude:

a. Privately owned construction work performed under a pre-hire collective bargaining agreement between an owner or developer and a bona fide building and construction trades labor organization which has established itself, and/or its affiliates, as the collective bargaining representative for all persons who will perform work on such a project, and which provides that only contractors and subcontractors who sign a pre-negotiated agreement with the labor organization can perform work on such a project; or

b. Construction work on one- or two-family dwellings where the property is the owner's primary residence, or construction work performed on property where the owner of the property owns no more than four dwelling units; or

c. Construction work performed on a multiple residence and/or ancillary amenities or installations that is wholly privately owned in any of the following circumstances:

(i) where no less than twenty-five percent of the residential units are affordable and shall be retained subject to an anticipated regulatory agreement with a local, state, or federal governmental entity, or a not-for-profit entity with an anticipated formal agreement with a local, state, or federal governmental entity for purposes of providing affordable housing in a given locality or region provided that the period of affordability for a residential unit deemed affordable under the provisions of this paragraph shall be for no less than fifteen years from the date of construction; or

(ii) where no less than thirty-five percent of the residential units involves the provision of supportive housing services for vulnerable populations provided that such units are subject to an anticipated regulatory agreement with a local, state, or federal governmental entity.

4. As a condition of receiving funds from the New York climate action fund climate investment account established pursuant to section ninety-nine-qq of the state finance law or from the climate change adaptation fund established pursuant to section ninety-seven-m of the state finance law for a covered climate risk-related and energy transition project **or the bucks for boilers fund established pursuant to section ninety-nine-ss of the state finance law for a covered bucks for boilers project**, the owner or developer of such covered climate risk-related and energy transition project **or covered bucks for boilers project**, or a third party acting on such owner's or developer's behalf, shall agree to enter into a labor peace agreement with at least one bona fide labor organization either:

a. where such bona fide labor organization is actively representing non-construction employees who will be working within the covered climate risk-related and energy transition project **or covered bucks for boilers project** once built; or

b. upon notice by a bona fide labor organization that is attempting to represent such non-construction employees.

5. For purposes of this section "labor peace agreement" means an agreement between an owner and/or developer and labor organization that, at a minimum, protects the state's proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference.

6. The owner or developer using funds from the New York climate action fund climate investment account established pursuant to section ninety-nine-qq of the state finance law or from the climate change adaptation fund established pursuant to section ninety-seven-m of the state finance law for a covered climate risk-related and energy transition project **or the bucks for boilers fund established pursuant to section ninety-nine-ss of the state finance law for a covered bucks for boilers project** pursuant to this section shall:

a. require the use of apprenticeship agreements as defined by article twenty-three of this chapter; or for industries without apprenticeship programs, require the use of workforce training, preferably in conjunction with a bona fide labor organization; and

b. consider use of registered pre-apprenticeship direct entry programs for the recruitment of local and/or disadvantaged workers.

7. For purposes of this section, the "fiscal officer" shall be deemed to be the commissioner. The enforcement of any covered climate risk-related and energy transition project **or covered bucks for boilers project** under this section shall be subject to the requirements of sections two hundred twenty, two hundred twenty-a, two hundred twenty-b, two hundred twenty-i, two hundred twenty-three, two hundred twenty-four-b of this

article, and section two hundred twenty-seven of this chapter and within the jurisdiction of the fiscal officer; provided, however, nothing contained in this section shall be deemed to construe any covered climate risk-related and energy transition project **or covered bucks for boilers project** as otherwise being considered public work pursuant to this article.

8. The fiscal officer may issue rules and regulations governing the provisions of this section. Violations of this section shall be grounds for determinations and orders pursuant to section two hundred twenty-b of this article.

9. For any building service work on a covered climate risk-related and energy transition project **or covered bucks for boilers project**, prevailing wage shall be paid consistent with article nine of this chapter.

10. Any public entity receiving at least five million dollars in funds from the New York climate action fund climate investment account established pursuant to section ninety-nine-qq of the state finance law or from the climate change adaptation fund established pursuant to section ninety-seven-m of the state finance law **or the bucks for boilers fund established pursuant to section ninety-nine-ss of the state finance law** for a project which involves the construction, reconstruction, alteration, maintenance, moving, demolition, excavation, development or other improvement of any building, structure or land, shall be subject to section two hundred twenty-two of this article.

§ 11. Subdivision (a) of section 10-b of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is amended by adding a new paragraph 14 to read as follows:

14. (i) prohibit temporary major capital improvement increases and individual apartment improvement increases for buildings undertaking energy efficiency, boiler, furnace, stove replacements, electrical panel, electrical wiring or related work pursuant to the bucks for boilers program established pursuant to section eighteen hundred eighty-five of the public authorities law; and

(ii) require the extension of the lease of tenants for no less than five years following the completion of work under such program.

§ 12. This act shall take effect immediately.