STATE OF NEW YORK

9479

IN ASSEMBLY

January 7, 2026

Introduced by M. of A. BRONSON -- read once and referred to the Committee on Energy

AN ACT to amend the public authorities law, in relation to the mechanical insulation energy savings program

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

Section 1. Section 1885 of the public authorities law, as added by a chapter of the laws of 2025 amending the public authorities law relating to establishing the mechanical insulation energy savings program, as proposed in legislative bills numbers S. 2457-B and A. 3999-B is amended to read as follows:

§ 1885. Mechanical insulation energy savings program. 1. Definitions. For purposes of this section:

(a) "Applicant" shall mean any school district[~~,~~] **and may at the discretion of the authority include any public housing or** public hospital, [~~**public housing building, or political subdivision as defined in the general municipal law,**~~] with a building or buildings that have a potential need for mechanical insulation upgrades. The minimum size for any single building to be considered shall be twenty thousand square feet.

(b) "Mechanical insulation" shall mean insulation materials, facings and accessory products used for thermal requirements for mechanical piping and equipment, hot and cold applications, heating, ventilation, and air-conditioning applications.

(c) "Qualified audit" shall mean a mechanical insulation audit of a building by a qualified contractor, which identifies missing, damaged or improperly installed mechanical insulation. Such audit shall include an estimate of installation costs along with estimated energy and cost savings. Such audit shall be provided by the qualified contractor at no cost to the authority or applicant.

(d) "Qualified mechanical insulation expenditures" shall mean the purchase of insulation materials, facings and accessory products used for thermal requirements for mechanical piping and equipment, hot and cold applications, and heating, ventilation, and air-conditioning appli-

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

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cations and all associated labor costs properly allocable to on-site preparation, assembly and original installation, so long as performed by a qualified contractor and in accordance with sections two hundred twenty, two hundred twenty-b and two hundred twenty-i of the labor law.

(e) "Qualified contractor" shall mean an insulation contractor that is party to an apprenticeship agreement, as defined in section eight hundred sixteen of the labor law, which is in good standing, appropriate for the type and scope of work to be performed, including the minimum American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1-2007, providing the energy standard for buildings except low-rise residential buildings.

2. [~~The~~] **Subject to monies made available to the authority for the proper administration of the program created pursuant to this section, the** authority is hereby authorized and directed to establish and administer **within one year of the effective date of this section,** a mechanical insulation energy savings program to [~~provide applicants with qualified audits and grants to purchase mechanical insulation. The authority shall establish an audit process whereby an applicant may request a qualified audit. Such audit, if approved by the authority, shall be provided to the applicant at no cost.~~

~~3. As part of this program, the authority shall~~] issue **competitive** grants **on a first come first served basis** for applicants that have completed a qualified audit, which will cover [~~one hundred~~] **at least fifty, but no more than seventy-five,** percent of the qualified mechanical insulation expenditures.

[~~4. Within one year of the effective date of this section, the authority shall establish rules and regulations and identify eligible funding to create the mechanical insulation energy savings program and create guidelines for preferred applicants, buildings and energy savings.~~] **The authority may coordinate with another state agency or authority, or an office thereof, to establish and administer this program.**

3. The authority shall develop and publish guidelines establishing the evaluation criteria and competitive application process for the mechanical insulation energy savings program pursuant to this section.

§ 2. This act shall take effect on the same date and in the same manner as a chapter of the laws of 2025 amending the public authorities law relating to establishing the mechanical insulation energy savings program, as proposed in legislative bills numbers S. 2457-B and A. 3999-B, takes effect.