

STATE OF NEW YORK

1335--A

2025-2026 Regular Sessions

IN SENATE

January 9, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law, in relation to the municipal sustainable energy loan program

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

1 Section 1. Section 119-ee of the general municipal law, as added by
2 chapter 497 of the laws of 2009, is amended to read as follows:

3 § 119-ee. Legislative findings and declaration. The legislature finds
4 and declares that it is the policy of the state to achieve statewide
5 energy efficiency and renewable energy goals, reduce greenhouse gas
6 emissions and mitigate the effect of global climate change, and advance
7 a clean energy economy; and that to achieve such policy and goals the
8 state must promote the deployment of renewable energy systems [~~and~~],
9 energy efficiency measures, qualifying water improvements, qualifying
10 resiliency improvements, and low carbon intensity building components
11 throughout the state; and that municipalities would fulfill an important
12 public purpose by providing loans to property owners for the installa-
13 tion of renewable energy systems [~~and~~], energy efficiency measures,
14 qualifying water improvements, qualifying resiliency improvements, and
15 the use of low carbon intensity building components.

16 § 2. Subdivisions 3, 4, 5, 6, 7 and 8 of section 119-ff of the general
17 municipal law, as amended by chapter 184 of the laws of 2020, are
18 amended to read as follows:

19 3. "Energy audit" means a formal evaluation of the energy consumption
20 of a permanent building or structural improvement to real property,
21 conducted by a qualifying contractor [~~certified by the authority, or~~
22 ~~certified by a certifying entity approved by the authority for purposes~~
23 ~~of this article,~~] for the purpose of identifying appropriate energy

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

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1 efficiency improvements that could be made to or incorporated into the
2 construction of the property. [~~A municipal corporation may, by local
3 law, provide for the certification of such contractors based upon crite-
4 ria at least as stringent as the state-wide criteria for certification
5 adopted by the authority for purposes of this article.~~]

6 4. "Energy efficiency improvement" means any improvement to real prop-
7 erty, whether as a component of the new construction of a building or as
8 the renovation or retrofitting of an existing building to reduce energy
9 consumption[~~, such as window and door replacement, lighting, caulking,
10 weatherstripping, air sealing, insulation, and heating and cooling
11 system upgrades, and similar improvements, determined to be cost effec-
12 tive pursuant to criteria established by the authority~~] or greenhouse
13 gas emissions. However, "energy efficiency improvement" shall not
14 include lighting measures or household appliances that are not perma-
15 nently fixed to real property.

16 5. "Feasibility study" means a written study, conducted by a qualify-
17 ing contractor for the purpose of determining the feasibility of
18 installing a renewable energy system, qualifying water improvements,
19 qualifying resiliency improvements or low carbon intensity building
20 component improvements.

21 6. "Low carbon intensity building component improvement" means any
22 permanently affixed improvement to real property, whether as a component
23 of the new construction of a building or as the renovation or retrofit-
24 ting of an existing building, to reduce the carbon or other greenhouse
25 gas emissions of those components or the improved property.

26 7. "Municipal corporation" means a county, town, city or village.

27 8. "Qualifying water improvement" means any improvement to real prop-
28 erty, whether as a component of the new construction of a building or as
29 the renovation and retrofitting of an existing building, to reduce water
30 consumption, promote water conservation and storage, manage stormwater,
31 resist flooding, and mitigate contamination in potable water systems.

32 [~~6-~~] 9. "Real property" means any property, an interest in which is or
33 is eligible to be recorded or registered on municipal land ownership
34 records by the possessor of such interest.

35 [~~7-~~] 10. "Renewable energy system" means an energy generating system
36 for the generation of electric or thermal energy, to be used primarily
37 at such property, except when the owner of real property is a commercial
38 entity, by means of solar thermal, solar photovoltaic, wind, geothermal,
39 anaerobic digester gas-to-electricity systems, fuel cell technologies,
40 or other renewable energy technology approved by the authority not
41 including the combustion or pyrolysis of solid waste.

42 [~~8. "Renewable energy system feasibility study" means a written study,
43 conducted by a contractor certified by the authority, or certified by a
44 certifying entity approved by the authority for purposes of this arti-
45 cle, for the purpose of determining the feasibility of installing a
46 renewable energy system. A municipal corporation may, by local law,
47 provide for the certification of such contractors based upon criteria at
48 least as stringent as the state-wide criteria for certification adopted
49 by the authority for purposes of this article.~~]

50 § 3. Section 119-ff of the general municipal law is amended by adding
51 three new subdivisions 11, 12 and 13 to read as follows:

52 11. "Greenhouse gas emissions" means the emission of carbon dioxide,
53 methane, nitrous oxide, and fluorinated gases.

54 12. "Qualifying contractor" means a contractor that is: (a) certified
55 by the authority, or certified by a certifying entity approved by the
56 authority for purposes of this article, or (b) certified by a munici-

1 pality pursuant to local law that incorporates criteria at least as
2 stringent as the statewide criteria for certification adopted by the
3 authority, to conduct an energy audit and a feasibility study.

4 13. "Qualifying resiliency improvements" means improvements to real
5 property, a component of the new construction of a building, or the
6 renovation or retrofitting of an existing building, that is designed to
7 enable the building, structure, or occupants of such building or struc-
8 ture to withstand or recover quickly from disruption from the current
9 and future hazards of extreme weather events, including but not limited
10 to floods, high winds, tornados, extreme temperature, heavy rainfall,
11 sea level rise and wildfires, or designed to advance energy storage,
12 microgrids, or alternate vehicle charging infrastructure, or improve
13 indoor air quality. However, "qualifying resiliency improvements" shall
14 not include measures that are not permanently fixed to real property.

15 § 4. Section 119-gg of the general municipal law, as added by chapter
16 497 of the laws of 2009, subdivisions 1 and 6 as amended by chapter 320
17 of the laws of 2017, is amended to read as follows:

18 § 119-gg. Sustainable energy loan program. 1. The legislative body of
19 any municipal corporation may, by local law, establish a sustainable
20 energy loan program using federal grant assistance or federal credit
21 support or monies from the state of New York or any state authority as
22 defined by section two of the public authorities law available for this
23 purpose.

24 2. Such program may make loans to the owners of real property located
25 within the municipal corporation to finance the installation of renewa-
26 ble energy systems [~~and~~], energy efficiency improvements, qualifying
27 water improvements, qualifying resiliency improvements, low carbon
28 intensity building components, related energy audits and [~~renewable~~
29 ~~energy system~~] feasibility studies, and the verification of the instal-
30 lation of such systems and improvements. No municipal corporation shall
31 make such a loan to an owner of property that has received a loan from
32 another municipal corporation pursuant to this article.

33 3. Each such local law establishing the sustainable energy loan
34 program shall provide for the criteria for making such loans and the
35 terms and conditions for repayment of such loans. [~~The sustainable ener-~~
36 ~~gy loan program shall use such lists of cost effective energy efficiency~~
37 ~~improvements for different building types as are approved by the author-~~
38 ~~ity.~~] Each such local law may provide criteria for qualifying contrac-
39 tors that may conduct energy audits or feasibility studies in the muni-
40 cipality.

41 4. The municipal corporation shall verify and report on the installa-
42 tion and performance of renewable energy systems [~~and~~], energy efficien-
43 cy improvements, qualifying water improvements, qualifying resiliency
44 improvements, and low carbon intensity building component improvements
45 financed by the loan program in such form and manner as the authority
46 may establish.

47 5. Every loan made under the sustainable energy loan program shall be
48 repaid over a term not to exceed the [~~weighted average of the useful~~
49 ~~life of such systems and improvements~~] the longest lived system or
50 improvement as determined by the municipal corporation. The municipal
51 corporation shall [~~set~~] approve a fixed rate of interest for the repay-
52 ment of the principal amount of each loan at the time the loan is made.

53 6. a. For loans made to an owner of real property that is a commercial
54 entity, not-for-profit organization, or entity other than an individual,
55 the municipal corporation, governing body or its duly assigned agent
56 shall have the authority to impose requirements on the maximum amount

1 that may be borrowed through such loan, which may consider factors
2 including but not limited to the property value, projected savings,
3 project cost, and existing indebtedness secured by such property.

4 b. For loans made to an owner of real property who is an individual,
5 the principal amount of each such loan, excluding interest, shall not
6 exceed the lesser of ten percent of the appraised [~~real property~~] value
7 of such real property upon completion of the improvements or the [actu-
8 al] cost of installing the renewable energy system [and], energy effi-
9 ciency improvements, qualifying water improvements, qualifying resilien-
10 cy improvements, or low carbon intensity building component
11 improvements, including the costs of necessary equipment, materials, and
12 labor, the costs of each related energy audit and [~~renewable energy~~
13 ~~system~~] feasibility study, and the cost of verification of the installa-
14 tion of such renewable energy system [and], energy efficiency improve-
15 ments, qualifying water improvements, qualifying resiliency improve-
16 ments, and low carbon intensity building component improvements.

17 7. No such loan shall be made for energy efficiency improvements
18 unless determined to be appropriate through an energy audit, and no such
19 loan shall be made for a renewable energy system, qualifying water
20 improvements, qualifying resiliency improvements or low carbon intensity
21 building component improvements unless determined to be feasible through
22 a [~~renewable energy system~~] feasibility study.

23 8. An energy audit may document: (a) improvements and related costs
24 that are required for the energy efficiency improvements to proceed; and
25 (b) expected energy savings, any expected reductions in greenhouse gas
26 emissions, and any other environmental, economic and public health bene-
27 fits expected from the installation of the improvements, including those
28 enumerated in the scoping plans and related values created pursuant to
29 article seventy-five of the environmental conservation law.

30 9. A feasibility study may document: (a) improvements and related
31 costs that are required for the renewable energy system, qualifying
32 water improvements, qualifying resiliency improvements or low carbon
33 intensity building component improvements to proceed; and (b) expected
34 energy savings, any expected reductions in greenhouse gas emissions, and
35 any other environmental, economic and public health benefits expected
36 from the installation of the improvements, including those enumerated in
37 the scoping plans and related values created pursuant to article seven-
38 ty-five of the environmental conservation law.

39 10. The loan made under the sustainable energy loan program shall
40 constitute a lien upon the real property benefitted by such loan.

41 [~~9-~~] 11. The municipal corporation may require the loan made under the
42 sustainable energy loan program to be repaid by the property owner
43 through a charge on the real property benefitted by such loan. Such
44 charge shall be on the real property, shall be payable by the property
45 owner regardless of tax-paying or tax-exempt status, and shall be levied
46 and collected at the same time and in [~~the same~~] a manner [~~as~~] consist-
47 ent with the manner generally applied to municipal taxes[~~7~~]; provided
48 that in a city having a population of one million or more, such charge
49 shall be on the real property, shall be payable by the property owner
50 regardless of tax-paying or tax-exempt status, and shall be levied,
51 collected and enforced at the same time and in the same manner as munic-
52 ipal taxes; and provided, further, that: (a) such charge shall be sepa-
53 rately listed on the tax bill[~~7~~]; and [~~provided further that~~] (b) in the
54 event such charge should not be paid in a timely manner, no other munic-
55 ipal corporation shall be required to credit or otherwise guarantee the

1 amount of such unpaid charge to the municipal corporation which author-
2 ized the loan, notwithstanding any provision of law to the contrary.

3 12. Except in a city with a population of one million or more:

4 (a) To the extent any such charge is not paid when due (and regardless
5 of the tax payment status for the real property and the satisfaction or
6 non-satisfaction of other municipal taxes), the delinquent charge may be
7 enforced or foreclosed under article thirteen of the real property
8 actions and proceedings law to the extent of any unpaid installment
9 payments. In any event of enforcement, including foreclosure, the
10 balance of the lien shall not accelerate and shall survive judgment. The
11 proceeds received in an action to enforce an unpaid or delinquent charge
12 shall be paid first to outstanding real property taxes, municipal charg-
13 es, or other municipal liens.

14 (b) The municipal corporation may assign the enforcement or foreclo-
15 sure of a delinquent charge or charges, in which event the assignee
16 shall have and possess the same powers and rights at law or in equity as
17 the municipal corporation would have had it not been assigned with
18 regard to the precedence and priority of such delinquent charges, the
19 accrual of interest and the fees and expenses of collection. In addi-
20 tion, such assignee shall have the same rights to enforce such delin-
21 quent charge or charges as any private party holding a lien on real
22 property, including, but not limited to, foreclosure and a suit on the
23 debt.

24 § 5. This act shall take effect immediately.