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:

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

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

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

3. "Energy audit" means a formal evaluation of the energy consumption of a permanent building or structural improvement to real property, conducted by a qualifying contractor [~~certified by the authority, or certified by a certifying entity approved by the authority for purposes 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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efficiency improvements that could be made to or incorporated into the construction of the property. [~~A municipal corporation may, by local law, provide for the certification of such contractors based upon criteria at least as stringent as the state-wide criteria for certification adopted by the authority for purposes of this article.~~]

4. "Energy efficiency improvement" means any improvement to real property, whether as a component of the new construction of a building or as the renovation or retrofitting of an existing building to reduce energy consumption[~~, such as window and door replacement, lighting, caulking, weatherstripping, air sealing, insulation, and heating and cooling system upgrades, and similar improvements, determined to be cost-effective pursuant to criteria established by the authority~~] **or greenhouse gas emissions**. However, "energy efficiency improvement" shall not include lighting measures or household appliances that are not permanently fixed to real property.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. Each such local law establishing the sustainable energy loan program shall provide for the criteria for making such loans and the terms and conditions for repayment of such loans. [~~The sustainable energy loan program shall use such lists of cost effective energy efficiency improvements for different building types as are approved by the authority.~~] Each such local law may provide criteria for qualifying contractors that may conduct energy audits or feasibility studies in the municipality.

4. The municipal corporation shall verify and report on the installation and performance of renewable energy systems [~~and~~], energy efficiency improvements, qualifying water improvements, qualifying resiliency improvements, and low carbon intensity building component improvements financed by the loan program in such form and manner as the authority may establish.

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

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

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

b. For loans made to an owner of real property who is an individual, the principal amount of each such loan, excluding interest, shall not exceed the lesser of ten percent of the appraised [~~real property~~] value **of such real property upon completion of the improvements** or the [~~actual~~] cost of installing the renewable energy system [~~and~~]**,** energy efficiency improvements**, qualifying water improvements, qualifying resiliency improvements, or low carbon intensity building component improvements**, including the costs of necessary equipment, materials, and labor, the costs of each related energy audit and [~~renewable energy system~~] feasibility study, and the cost of verification of **the installation of** such renewable energy system [~~and~~]**,** energy efficiency **improvements, qualifying water improvements, qualifying resiliency improvements, and low carbon intensity building component** improvements.

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

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

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

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

[~~9.~~] **11.** The municipal corporation may require the loan made under the sustainable energy loan program to be repaid by the property owner through a charge on the real property benefitted by such loan. Such charge shall be on the real property**, shall be payable by the property owner regardless of tax-paying or tax-exempt status,** and shall be levied and collected at the same time and in [~~the same~~] **a** manner [~~as~~] **consistent with the manner generally applied to** municipal taxes[~~,~~]**; provided that in a city having a population of one million or more, such charge shall be on the real property, shall be payable by the property owner regardless of tax-paying or tax-exempt status, and shall be levied, collected and enforced at the same time and in the same manner as municipal taxes; and** provided**, further,** that**: (a)** such charge shall be separately listed on the tax bill[~~,~~]**;** and [~~provided further that~~] **(b)** in the event such charge should not be paid in a timely manner, no other municipal corporation shall be required to credit or otherwise guarantee the

amount of such unpaid charge to the municipal corporation which authorized the loan, notwithstanding any provision of law to the contrary.

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

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

(b) The municipal corporation may assign the enforcement or foreclosure of a delinquent charge or charges, in which event the assignee shall have and possess the same powers and rights at law or in equity as the municipal corporation would have had it not been assigned with regard to the precedence and priority of such delinquent charges, the accrual of interest and the fees and expenses of collection. In addition, such assignee shall have the same rights to enforce such delinquent charge or charges as any private party holding a lien on real property, including, but not limited to, foreclosure and a suit on the debt.

§ 5. This act shall take effect immediately.