

STATE OF NEW YORK

8753

IN SENATE

January 8, 2026

Introduced by Sen. RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

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:

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

6 § 1885. Mechanical insulation energy savings program. 1. Definitions.
7 For purposes of this section:

8 (a) "Applicant" shall mean any school district^[7] and may at the
9 discretion of the authority include any public housing or public hospi-
10 tal, [~~public housing building, or political subdivision as defined in~~
11 ~~the general municipal law,~~] with a building or buildings that have a
12 potential need for mechanical insulation upgrades. The minimum size for
13 any single building to be considered shall be twenty thousand square
14 feet.

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

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

25 (d) "Qualified mechanical insulation expenditures" shall mean the
26 purchase of insulation materials, facings and accessory products used
27 for thermal requirements for mechanical piping and equipment, hot and
28 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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1 cations and all associated labor costs properly allocable to on-site
2 preparation, assembly and original installation, so long as performed by
3 a qualified contractor and in accordance with sections two hundred twenty-
4 ty, two hundred twenty-b and two hundred twenty-i of the labor law.

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

12 2. ~~[The] Subject to monies made available to the authority for the~~
13 ~~proper administration of the program created pursuant to this section,~~
14 ~~the~~ authority is hereby authorized and directed to establish and admin-
15 ister ~~within one year of the effective date of this section,~~ a mechan-
16 ical insulation energy savings program to ~~[provide applicants with qual-~~
17 ~~ified audits and grants to purchase mechanical insulation. The~~
18 ~~authority shall establish an audit process whereby an applicant may~~
19 ~~request a qualified audit. Such audit, if approved by the authority,~~
20 ~~shall be provided to the applicant at no cost.~~

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

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

32 3. The authority shall develop and publish guidelines establishing the
33 evaluation criteria and competitive application process for the mechan-
34 ical insulation energy savings program pursuant to this section.

35 § 2. This act shall take effect on the same date and in the same
36 manner as a chapter of the laws of 2025 amending the public authorities
37 law relating to establishing the mechanical insulation energy savings
38 program, as proposed in legislative bills numbers S. 2457-B and A.
39 3999-B, takes effect.