STATE OF NEW YORK

6967

2021-2022 Regular Sessions

IN ASSEMBLY

April 15, 2021

Introduced by M. of A. CAHILL, SEPTIMO -- read once and referred to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, the executive law, the labor law, the public authorities law and the tax law, in relation to enacting the climate and community investment 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 "climate and community investment act".

§ 2. Legislative findings and declaration. The legislature finds and declares that:

1. Climate change is adversely affecting economic well-being, public health, natural resources, and the environment of New York. The adverse impacts of climate change include:

(a) an increase in the severity and frequency of extreme weather events, such as storms, flooding, and heat waves, which can cause direct injury or death, property damage, and ecological damage (e.g., through the release of hazardous substances into the environment);

(b) rising sea levels, which exacerbate damage from storm surges and flooding, contribute to coastal erosion and saltwater intrusion, and inundate low-lying areas, leading to the displacement of or damage to coastal habitat, property, and infrastructure;

(c) exacerbation of air pollution;

(d) an increase in the incidences of infectious diseases, asthma attacks, heart attacks, and other negative health outcomes;

(e) increased average temperatures, which increase the demand for air conditioning and refrigeration among residents and businesses; and

(f) extensive environmental degradation with devastating impacts to wildlife and natural habitats, ecosystems and food supplies.

2. Many of the impacts of climate change are already observable in New York state and the northeastern United States. Annual average temper-

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

LBD01702-03-1

atures are on the rise, winter snow cover is decreasing, heat waves and precipitation are intensifying, and sea levels along New York's coastline are approximately one foot higher than they were in 1900. New York has also experienced an increasing number of extreme and unusual weather events, like Hurricanes Irene and Lee and the unprecedented Superstorm Sandy in 2012, which caused at least 53 deaths and $32 billion in damage in New York state.

3. New York should therefore minimize the risks associated with climate change through a combination of measures to reduce statewide greenhouse gas emissions and improve the resiliency of the state with respect to the impacts and risks of climate change that cannot be avoided.

4. Climate change especially heightens the vulnerability of disadvantaged communities, including communities of color and low-income communities, which bear environmental and socioeconomic burdens as well as legacies of racial and ethnic discrimination. Disadvantaged communities are more likely to experience flooding and urban heat island effects, and to live in housing vulnerable to destruction from storms. Low-income New Yorkers lack emergency savings to keep up with necessary expenses following the disruption from a major storm or climate event.

5. Actions taken by New York state to reduce greenhouse gas emissions, and those taken to increase the resiliency of the state with respect to the impacts and risks of climate change, should prioritize the safety, health, and resiliency of disadvantaged communities, control potential regressive impacts of future climate change mitigation and adaptation policies on these communities, and prioritize the allocation of public investments in these areas.

6. Disadvantaged communities in New York state experience greater exposure to air pollution and subsequent negative health impacts, in large part due to legacies of racial, ethnic, and socio-economic discrimination. New York's communities of color are more likely to:

(a) live near sites of high pollution, including power plants, highly trafficked automotive routes, waste transfer stations, landfills, hazardous waste sites and toxic industrial facilities;

(b) breathe in a greater volume of pollution, including both ozone and particulate matter;

(c) experience asthma and other pollution-related illnesses including increased hospitalization rates for childhood asthma;

(d) have higher rates of cancer due to disproportionate exposure to air pollution, including lung cancer and other pollution-affiliated cancers; and

(e) experience other negative health impacts, including but not limited to reduced fertility rates, adverse pregnancy outcomes and increased vulnerability to the consequences of co-morbidities like diabetes and high blood pressure.

7. In the spring of 2020, New York experienced the devastating impacts of the Covid-19 pandemic. Tens of thousands of New Yorkers died, and many hundreds of thousands more became ill. Air pollution played a significant role in this pandemic, as residents of communities of color who live in highly polluted areas died disproportionately from Covid-19 when compared to patients from less polluted neighborhoods. Throughout the pandemic, New Yorkers of color continue to disproportionately contract, fall ill, and die from Covid-19, in part because of disproportionate exposure to toxic air pollution.

8. The Covid-19 pandemic has also caused a national economic crisis which has also severely impacted New York State. Many New Yorkers lost

their jobs during the Covid-19 pandemic, with unemployment rates reaching levels not seen since the Great Depression. Such mass job loss increased precarity for thousands of New Yorkers and left many less able to weather current or future emergencies. Child and dependent care shortages are and continue to be a barrier to work in New York, especially for women, who disproportionately take on unpaid caregiving responsibilities when their family cannot find or afford child and dependent care. Low and middle-income families and families of color disproportionately lack access to quality child and dependent care.

9. New York state has an interest in reducing air pollution that increases risk for Covid-19 and ensuring that all populations are equally able to breathe clean air and live healthful lives. Actions undertaken by New York to reduce air pollution should prioritize the health and safety of disadvantaged communities, prioritize the allocation of public investments in these areas, and control potential regressive impacts of climate policies on these communities. Further, it is in the interest of the state to invest in creating stable and safe employment opportunities for individuals who have lost their jobs as part of the Covid-19 recession. This includes protecting and promoting the ability for all workers to equitably participate in a just clean energy transition by increasing equitable and comprehensive access to child and dependent care.

10. Racial justice and environmental justice are inextricably linked to achieving a just clean energy transition in New York. The murder of George Floyd on May 25, 2020 was followed by mass protests for Black lives in New York state and throughout the nation. These movements have forced a national reckoning with the fact that racial injustice has resulted in over-policing and mass incarceration of communities of color. It is in the interest of the state of New York that no funds from programs for pricing greenhouse gas emissions are invested in police, prisons or related infrastructure.

11. The adverse impacts of climate change are having a detrimental effect on some of New York's largest industries, including agriculture, commercial shipping, forestry, tourism, and recreational and commercial fishing. These impacts also place additional strain on the physical infrastructure that delivers critical services to the citizens of New York, including the state's energy, transportation, stormwater, and wastewater infrastructure.

12. Creating good jobs and a thriving economy is a core concern of New York state. Shaping the ongoing transition in our energy sector to ensure that it creates good jobs and protects workers and communities that may lose employment in the current transition must be key concerns of our climate policy. Setting clear standards for job quality and training standards encourages not only high-quality work but positive economic impacts.

13. Ensuring career opportunities are created and shared geographically and demographically is necessary to ensure increased access to good jobs for marginalized communities while making the same neighborhoods more resilient. Climate change has a disproportionate impact on low-income people, communities of color, women, youth, children and workers. This includes formerly incarcerated individuals. Disadvantaged communities and workers must have access to all aspects of the state's clean energy economy, including as investors and developers of clean energy projects. It is in the interest of the state of New York to protect and promote the interests of these groups against the impacts of climate change and severe weather events and to advance our equity goals

by ensuring quality employment opportunities in safe working environments.

14. Addressing climate change challenges through the expansion and growth of clean and renewable energy sources requires New York to make substantial proprietary and financial investments in this sector and to become an investor and partner in the development of renewable energy programs and projects. New York has long provided forms of state assistance, including grants, energy credits, or tax incentives to developers, project owners and other entities proposing clean and renewable energy projects. Key findings relating to state assistance in the clean and renewable energy sector are as follows:

(a) providing forms of state assistance in renewable energy projects results in New York becoming a co-investor in this sector with strong financial, proprietary interests in the projects it supports. Such assistance is essential since the expansion and development of this market, would not occur at the scale and pace needed without substantial financial investment by the state. New York has already invested billions of dollars in promoting its renewable energy programs and will continue to invest substantial sums over the next several years to assist the growth and development of the sector. Such investments are critical not only for the development of individual renewable energy projects, but also to ensure that projects are effectively planned and executed and produce adequate amounts of clean energy needed to meet the state's future needs for safe, affordable reliable power;

(b) it is vital that the state's investments in clean and renewable energy be protected and monitored through all stages of development to make certain that they are effective in producing the intended results. The need for this protection has grown greater due to the enormous economic burden imposed on the state by the Covid-19 pandemic;

(c) one of the areas in need of most protection is the actual construction and operation of renewable energy projects, especially large-scale projects. Because the construction industry is inherently complex and challenging, the delivery of projects, especially large capital construction projects, is fraught with numerous high-level risks that stem from various sources. These include but are not limited to project funding, financial resources and stability of project partners, project designs and specifications. Risks also include site conditions, equipment and material supply chains, and the experience, capacity and technical qualifications of developers, contractors and craft labor personnel used for a given project;

(d) ensuring the sufficient supply of properly trained and qualified craft labor personnel is vital to the protection of state interests and investments in the renewable energy sector. Large-scale construction projects are both labor intensive and inherently dangerous operations. The timely, successful delivery of these projects is critical to the delivery of safe and reliable power to consumers. Thus, the safe and successful completion of these projects necessitates a highly skilled workforce. It is critical that the state support the development of this workforce, as the construction industry generally is facing the most acute, widespread skill shortage in craft labor personnel in modern times. This shortage can cause various types of project failures, including major schedule delays, cost-overruns, increased safety incidents, or other serious problems;

(e) while many aspects of construction project planning cannot be controlled, ensuring the adequate supply of properly trained craft personnel can be effectively managed through the use of labor perform-

ance tools and policies. Key labor performance provisions include prevailing wage requirements, project labor agreements and responsible contractor provisions. These policies, in use in New York and throughout the country, are shown to be effective at protecting capital investments and the proprietary interests of investors. These tools also help ensure that adequate numbers of skilled craft personnel are deployed to projects in a timely manner and that the most highly qualified contractors will be attracted to such projects. These tools also protect the wage rates of local communities, promote adherence to required licensing and technical certifications, and maintain labor peace on projects to avoid disruptions and protect project delivery;

(f) project labor agreements promote the planning and timely completion of construction projects, especially larger scale projects, by establishing pre-determined and uniform employment terms. This ensures an adequate supply of properly trained craft personnel, creates stability for project planning and prevents labor disruptions. Responsible contractor policies help ensure that contractors and subcontractors used for projects are reputable, qualified firms that have sufficient resources and capabilities needed to perform the work successfully. Prevailing wage requirements protect local area wage rates from being undermined; and

(g) project labor agreements, responsible contracting and prevailing wage requirements also produce valuable socio-economic benefits by creating quality middle class jobs and skill training opportunities in New York's construction industry. Utilizing these policies will develop a new generation of craft labor personnel, create jobs in the state and foster economic development in communities where projects are located.

15. It is in the interest of the state to strengthen, monitor and enforce prevailing wages, project labor agreements and responsible contracting. While prevailing wage requirements are already required for some renewable energy projects, these requirements should be strengthened and used in coordination with the additional labor and performance standards established in this act.

16. The severity of current climate change and the threat of additional and more severe change will be affected by the actions undertaken by New York and other jurisdictions to reduce greenhouse gas emissions. According to the U.S. Global Change Research Program and the Intergovernmental Panel on Climate Change substantial reductions in greenhouse gas emissions will be required by mid-century in order to limit global warming to no more than 2°C and ideally 1.5°C, and thus minimize the risk of severe impacts from climate change. Specifically, industrialized countries must reduce their greenhouse gas emissions by at least 80 percent below 1990 levels by 2050 in order to stabilize carbon dioxide equivalent concentrations at 450 parts per million--the level required to stay within the 2°C target.

17. In 2019, New York state demonstrated national and international leadership on climate by enacting the Climate Leadership and Community Protection Act ("CLCPA"), the nation's most aggressive climate law and the nation's only climate law that provides for a just transition. The CLCPA created a comprehensive regulatory program to reduce greenhouse gas emissions from all anthropogenic sources 100% over 1990 levels by the year 2050, with an incremental target of at least a 40 percent reduction in climate pollution by the year 2030, and requires investment in and protection of disadvantaged communities. To meet the goals of the CLCPA, the state will need to transform its energy infrastructure, including the rapid and significant deployment of clean and renewable

energy. It is in the interest of the state to promote and provide resources towards the development and maintenance of clean energy infrastructure.

18. By exercising a global leadership role on greenhouse gas mitigation and climate change adaptation, New York will continue to position its economy, technology centers, financial institutions, and businesses to benefit from national and international efforts to address climate change. Action undertaken by New York to reduce greenhouse emissions will have an impact on global greenhouse gas emissions and the rate of climate change. In addition, such action will encourage other jurisdictions to implement complementary greenhouse gas reduction strategies and provide an example of how such strategies can be implemented. It will also advance the development of green technologies and sustainable practices within the private sector, which can have far-reaching impacts such as a reduction in the cost of renewable energy components, and the creation of jobs and tax revenues in New York.

19. It is in the interest of New York to take rapid action to reduce greenhouse gas emissions and transition to a just clean energy economy. Such actions include:

(a) raising new, dedicated revenue specifically for climate programs;

(b) investing in clean and renewable energy infrastructure such as solar energy, offshore wind, grid storage technologies and energy efficiency;

(c) rapidly transitioning to zero-emission transportation, especially zero-emission school and transit buses, to reduce adverse health impacts for children, workers, and communities, and improve grid resilience and renewable energy reliance;

(d) prioritizing funding for locally driven projects to reduce emissions and increase resiliency, especially in disadvantaged communities that are most impacted by climate change and air pollution;

(e) creating quality employment opportunities for all New Yorkers in the transition to a just clean economy and ensuring the full participation and prioritization of disadvantaged communities; and

(f) ensuring workers and communities currently reliant on the fossil fuel industry are given resources to avoid adverse economic impacts.

20. There is currently no state entity that is wholly dedicated to achieving the outcomes of the CLCPA. Without adequately devoting state resources and personnel, the outlined emissions reductions and electrification goals will not be realized in the target timeframe. Pursuant to the CLCPA, the state has less than 30 years to fully transition the 10th largest economy in the world to one that is fossil fuel free, and intentionally prioritize overburdened populations. Reaching these goals will improve the health and well-being of the residents of the state and advance the state's economic interests. It is also critical that best value procurement requirements are established within the authority to optimize the solicitation, evaluation and award of renewable energy projects assisted by the state.

21. It is in the interest of the state to establish a dedicated authority to ensure that New York's climate goals are accomplished. Such an authority would be able to nimbly manage the proceeds from a polluter fee which will amass significant revenue and require ongoing management. This authority would also disburse funds for clean energy community scale projects in a timely and efficient manner while employing best value procurement practices. In addition, a new authority would have the capacity to ensure prioritization of projects and funds for impacted communities, coordinate statewide emissions reduction strategies and

assist impacted workers in a transition away from fossil fuels through specialized assistance programs.

22. This legislation will build upon the developments outlined above by creating a comprehensive program for pricing greenhouse gas emissions and investing in a just transition to a low-carbon New York state economy, in accordance with the targets established in the CLCPA.

§ 3. Article 19 of the environmental conservation law is amended by adding a new title 13 to read as follows:

TITLE 13

VALUE OF POLLUTION AND MITIGATION PROGRAM

Section 19-1301. Definitions.
19-1303. Methodology and valuation of pollution price index.
19-1305. Implementation of fees.
19-1307. Allocation of revenues.
19-1309. Inventory.
19-1311. Transportation pollution.
19-1313. Reporting.

§ 19-1301. Definitions.

For the purposes of this title, the following terms shall have the following meanings:

1. "The Act" shall have the same meaning as in subdivision eight of section 19-0107 of this article.

2. "The authority" means the climate and community investment authority created under the public authorities law.

3. "Comptroller" means the New York state comptroller.

4. "Covered sources" means those sources of regulated air contaminants required to have a permit under Title V of the Act (42 U.S.C. section 7661 et seq).

5. "Cumulative burdens" mean the adverse health impacts that accrue to individuals and population groups as a result of exposure to pollution over time, and as a result of exposure to multiple forms of pollution and other risk factors, including poverty, violence, and substance abuse.

6. "Disadvantaged communities" shall have the same meaning as in subdivision five of section 75-0101 of this chapter.

7. "Downstate region" means the counties of Richmond, Kings, Queens, New York, Bronx, Westchester, Nassau and Suffolk.

8. "Emissions hotspot" means a location where emissions of regulated air contaminants from specific sources may expose individuals and population groups to elevated risks of adverse health effects and may contribute to the cumulative health risks of emissions from other sources in the area.

9. "Emissions leakage" means an increase in emissions outside of the state, as a result of, or in correlation with, the implementation of measures within the state to limit such emissions.

10. "Greenhouse gas" means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and any other substance emitted into the air that may be reasonably anticipated to cause or contribute to anthropogenic climate change, with the exception of agricultural emissions from livestock.

11. "Regulated air contaminant" shall have the same meaning as in subdivision twenty-two of section 19-0107 of this article.

12. "President" means the president of the climate and community investment authority.

13. "Social cost of pollution" means the cost to New York residents of emitting one ton, or another unit of measurement deemed appropriate by the authority, of a given regulated air contaminant.

14. "Upstate region" means all New York state counties other than Nassau, Suffolk, Richmond, Kings, Queens, New York, Bronx and Westchester.

15. "Working group" means the climate justice working group established under section 75-0111 of this chapter.

§ 19-1303. Methodology and valuation of pollution price index.

1. Not later than one year after the effective date of this title, the authority, in coordination with the department, shall publish an index that lists the social cost of pollution for all regulated air contaminants, or appropriate sub-grouping thereof. At the same time, the authority shall publish a methodology for determining the social cost of pollution for each regulated air contaminant, or appropriate sub-grouping thereof. In determining the social cost of pollution for a given regulated air contaminant, the authority shall consider, at a minimum:

(a) public health impacts, including but not limited to: loss of life, loss of welfare, and employment impacts;

(b) impacts to public and private property, including agricultural property;

(c) impacts to ecosystems and the ability of ecosystems to provide ecosystem services; and

(d) the full life-cycle of impacts.

2. If the authority, in coordination with the department, demonstrates that it is not administratively feasible in the time allotted in subdivision one of this section to complete a methodology for each individual regulated air contaminant, or appropriate sub-grouping thereof, then the authority may delay the completion of methodologies for some portion of regulated air contaminants for future rule-makings, provided that:

(a) in the first publication of such methodologies, the authority completes a methodology, pursuant to subdivision one of this section, for each of the following pollutants:

(i) oxides of nitrogen;

(ii) volatile organic compounds;

(iii) sulfur dioxide;

(iv) particulate matter;

(v) carbon monoxide; and

(vi) lead;

(b) in the first publication of such methodologies, the authority completes a methodology, pursuant to subdivision one of this section, for each of the air contaminants listed under section 112 of the Act (42 USC section 7412) that the authority finds to be most damaging to public health in New York, of all air contaminants listed under such section;

(c) the authority demonstrates and publishes, along with the publication of methodologies described under subdivision one of this section, a description of why it is not administratively feasible in the time allotted in subdivision one of this section to complete a methodology, for each individual regulated air contaminant, or appropriate sub-grouping thereof; and

(d) the authority subsequently publishes at least five additional methodologies per year, until that date when each regulated air contaminant, or appropriate sub-grouping thereof, has a complete methodology ascribed to it.

§ 19-1305. Implementation of fees.

1. Not later than two years after the effective date of this title, the authority shall institute a system of compliance fees that reflect the index established under section 19-1303 of this title. All covered sources shall be required to pay the fee for each regulated air contaminant emitted.

2. Notwithstanding any inconsistent provisions of the state administrative procedure act, such fee shall be established as a rule by publication in the environmental notice bulletin no later than thirty days after the budget bills making appropriations for the support of government are enacted or July first, whichever is later, of the year such fee will be effective.

3. Bills issued for the fee shall be based on actual emissions for the prior calendar year, as demonstrated to the authority's satisfaction, or in the absence of such demonstration, on permitted emissions, or, where there is no applicable permit, on potential to emit. Persons required to submit an emissions statement to the authority shall use such statement to demonstrate actual emissions under this section.

4. Any person required to pay fees imposed pursuant to this section may elect to base such fees on the level of permitted emissions set forth in a permit, certificate or approval issued pursuant to section 19-0311 of this article.

5. If a city or county is delegated the authority to administer the operating permit program established pursuant to section 19-0311 of this article, it may collect the fees established pursuant to this section and no additional liability for fees under this section shall accrue for any such source.

§ 19-1307. Allocation of revenues.

1. The comptroller and authority shall establish a trust fund to be known as the "value of pollution and mitigation program fund", consisting of such amounts as may be appropriated or credited to such fund as provided in this section.

2. (a) Funds received under this title shall be allocated accordingly:

(i) forty percent of funds shall go to the environmental justice office of the authority;

(ii) twenty percent of funds shall go to expanding, operating and maintaining the New York state Title V emissions inventory within the department;

(iii) twenty percent of funds shall go to expanding, operating and maintaining air quality monitoring, including ambient air quality monitoring and point source monitoring within the department; and

(iv) twenty percent of funds shall be allocated at the discretion of the authority, based on the needs of the authority.

No funds shall be allocated to fund police, prisons or related infrastructure.

(b) The value of pollution and mitigation program fund shall be administered by the authority.

§ 19-1309. Inventory.

Not later than eighteen months after the effective date of this title, the authority shall update and publish the inventory of emissions from Title V sources to:

1. assess the extent to which given regulated air contaminants, especially air contaminants that have highly adverse health impacts, are co-emitted with greenhouse gas emissions;

2. assess the extent to which regulated air contaminants that have especially adverse health impacts are likely to be reduced over time as a result of:

(a) the fee established in section three thousand forty of the tax law; and

(b) the investment programs established in title nine-C of article eight of the public authorities law;

3. identify and analyze emissions hotspots and cumulative burdens, pertaining to regulated air contaminants in order to prioritize emissions reductions in these areas;

4. assess emissions and pollution-related health impacts associated with the transportation sector; and

5. make the Title V emissions inventory more accessible to the public including, but not limited to, taking action to release the related data, analysis and assumptions of agency websites.

§ 19-1311. Transportation pollution.

1. Not later than one year after the effective date of this title, the commissioner, in consultation with the authority, shall prepare and approve a scoping plan outlining the authority's recommendations for accelerating the reduction of regulated air contaminants from mobile sources.

2. The draft scoping plan shall be developed in consultation with the working group and other stakeholders.

(a) The authority shall provide meaningful opportunities for public comment from all persons who will be impacted by the plan, including persons living in disadvantaged communities.

(b) On or before one year after the effective date of this title, the authority shall submit the final scoping plan to the governor, the speaker of the assembly and the temporary president of the senate and post such plan on its website.

3. The measures and actions considered in such scoping plan shall at a minimum include:

(a) performance-based standards for mobile sources of regulated air contaminants;

(b) market-based mechanisms to reduce emissions from mobile sources, including:

(i) the imposition of fees per unit of regulated air contaminant;

(ii) a zoned surcharge system on trucking and ports; and

(iii) congestion pricing;

(c) the creation of low emission zones and the policies to promote zero-emission and low-emission transportation options, including the electrification of port facilities and freight transportation; and

(d) land-use and transportation planning measures aimed at reducing emissions from mobile sources.

4. No later than three years after the effective date of this title, the authority, after public workshops and consultation with the working group, representatives of regulated entities, and other stakeholders, and not less than two public hearings, shall promulgate rules and regulations to accelerate the reduction of regulated air contaminants from mobile sources.

(a) The regulations promulgated by the authority pursuant to this subdivision may include legally enforceable emissions limits, performance standards, market-based mechanisms or measures or other requirements to control regulated air contaminant emissions from mobile sources. The authority is hereby authorized to establish any such policies pursuant to this section.

(b) In promulgating these regulations, the authority shall:

(i) design and implement all regulations in a manner that seeks to be equitable, to minimize costs and to maximize the total benefits to the state;

(ii) ensure that emissions reductions achieved are real, quantifiable, verifiable, and enforceable by the authority;

(iii) ensure that activities undertaken to comply with the regulations do not disproportionately burden disadvantaged communities;

(iv) prioritize measures to maximize net reductions of emissions in disadvantaged communities;

(v) prioritize measures that encourage early action to reduce emissions; and

(vi) minimize emissions leakage.

5. If any of the policies implemented by the authority pursuant to this section generate state revenue, the authority shall ensure that, at a minimum, forty percent of any funds collected are invested in a manner which will benefit disadvantaged communities, consistent with the purposes of this title. The authority shall consult with the working group in developing and carrying out such investments.

§ 19-1313. Reporting.

1. Not later than three years following the effective date of this title, and every two years thereafter, the authority, in partnership with the working group, shall produce a report on the implementation of the policies established under this title. Such report shall include, but not be limited to:

(a) the effectiveness of the fees established in section 19-1305 of this title to reduce regulated air contaminants statewide and within geographic subdivisions of the state;

(b) the effectiveness of the policies established under section 19-1311 of this title to reduce regulated air contaminants from mobile sources statewide and within geographic subdivisions of the state;

(c) an overview of social benefits from the regulations or other measures established pursuant to this title, including reductions in regulated air contaminants, and other benefits to the economy, environment, and public health, including but not limited to the health of women, youth and children and a detailed analysis of the benefits to disadvantaged communities;

(d) an overview of compliance costs for regulated entities;

(e) an overview of administrative costs for the authority and other state agencies;

(f) whether the fees established in this title are equitable, minimize costs and maximize the total benefits to the state;

(g) recommendations as to changes that should be made to any policy promulgated pursuant to this title, including the methodology established under section 19-1303 of this title, and the implementation of the fees established under section 19-1305 of this title; and

(h) recommendations for future regulatory actions pertaining to reducing regulated air contaminants from mobile and stationary sources.

2. Before finalizing the report described in subdivision one of this section, the authority shall ensure that there are meaningful opportunities for public participation, including by:

(a) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of a draft report; and

(b) holding at least four regional public hearings, including two meetings in the upstate region and two meetings in the downstate region,

with emphasis on maximizing participation and accessibility for members of disadvantaged communities.

3. The final report shall be submitted to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly, and shall be posted on the website of the department.

§ 4. The executive law is amended by adding a new section 184 to read as follows:

§ 184. Diversion of funds dedicated to climate and community investment to the general fund of the state or to any other purpose, is prohibited. 1. For the purposes of this section, the term "climate and community investment" shall mean any public benefit corporation constituting a climate and community investment authority which provides or contracts for the provision of climate and community investment, or a subsidiary thereof, or any county or city which provides or contracts for the provision of, pursuant to title nine-C of the public authorities law.

2. The director of the budget shall be prohibited from diverting revenues derived from fees paid by the public into any fund created by law including but not limited to article forty-two of the tax law, article forty-three of the tax law, and article eight-B of the labor law for the purpose of funding climate and community investment into the general fund of the state or into any other fund maintained for the support of another governmental purpose. No diversion of funds can occur contrary to this section by an administrative act of the director of the budget or any other person in the executive branch.

3. If any diversion of funds occurs by passage of legislation during a regular or extraordinary session of the legislature, the director of the budget shall create and include with the budget or legislation diverting funds, a diversion impact statement which shall include the following information:

(a) the amount of the diversion from dedicated climate and community investment funds;

(b) the amount diverted from each fund;

(c) the cumulative amount of diversion from dedicated climate and community investment funds during the preceding five years;

(d) the date or dates when the diversion is to occur; and

(e) a detailed estimate of the impact of diversion from dedicated climate and community investment, including any impact on climate infrastructure development, just transition, worker and community assurance, energy rebates, maintenance, security, and the current capital program.

4. The state comptroller shall report on the receipt of all funds collected pursuant to the climate and community investment act in existing cash basis reports, and the spending of any fund collected or spent pursuant to such act by the authority in its existing transparency report as well as if consideration is given to moving such funds on or off budget.

§ 5. The labor law is amended by adding a new article 8-B to read as follows:

ARTICLE 8-B

RESPONSIBLE CONTRACTING, LABOR AND JOB STANDARDS AND WORKER PROTECTION

Section 228. Definitions.
229. Labor and project performance standards.

229-a. Best value requirements for the solicitation, evaluation and award of renewable energy projects, energy efficiency projects and other construction projects undertaken with support from the authority or receiving state assistance.
229-b. Best value requirements for all work other than construction.

§ 228. Definitions. For the purposes of this title, the following terms shall have the following meanings:

1. "The Act" shall mean the "climate and community investment act".

2. "The authority" shall mean the climate and community investment authority created under the public authorities law.

3. "Climate and community investment" shall mean any public benefit corporation constituting a climate and community investment authority which provides or contracts for the provision of climate and community investment, or a subsidiary thereof, or any county or city which provides or contracts for the provision of, pursuant to title nine-C of the public authorities law.

4. "Director" means the director of an office appointed under paragraph (b) of subdivision seven of section twenty-seven hundred ninety-nine-uuuu of the public authorities law.

5. "Labor organization" means any organization which exists and is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning grievances, terms or conditions of employment, or of other mutual aid or protection and which is not a company union. This includes, but is not limited to bona fide labor organizations that are certified or recognized as the organization of jurisdiction representing the workers involved and/or bona fide building and construction trades councils and/or district councils and state and local labor federations comprised of local unions certified or recognized as the representative of the workers.

6. "Neutrality policy/agreement" shall mean a policy or agreement wherein an employer remains neutral in a union organizing drive and does not actively oppose union efforts to gain majority support of the relevant employees of the employer.

7. "President" means the president of the climate and community investment authority.

8. "Project labor agreement" or "PLA" shall mean a pre-hire collective bargaining agreement between a construction industry employer and a bona fide building and construction trade labor organization representing all construction trades that will perform work on a project and that provides only contractors and subcontractors who agree to comply with the PLA shall be eligible to perform work on the project.

§ 229. Labor and project performance standards. The following requirements shall apply to any projects assisted under the Act:

1. Construction - project labor agreement. A project labor agreement for purposes of this section is a pre-hire collective bargaining agreement with labor organizations in the construction industry that establishes the terms and conditions of employment for a specific construction project and is an agreement described in 29 U.S.C. 158(F).

2. Execution of project labor agreement. The party which receives assistance from the state for a renewable energy project, energy efficiency project, other construction project undertaken with support from the authority, or receiving state assistance shall take the necessary contractual actions to ensure that a project labor agreement is executed between the general contractor or other entity responsible for construction of the assisted project and bona fide building and

construction trade councils that have the capability to supply skilled craft personnel in all crafts needed for the project in the area where the project is located.

3. Terms of project labor agreement. A project labor agreement executed for purposes of this section shall include the necessary provisions to:

(a) bind all contractors and subcontractors on the assisted project to the project labor agreement through the inclusion of appropriate specifications in all relevant solicitation provisions and contract documents;

(b) allow all contractors and subcontractors to compete for contracts and subcontracts on the project without regard to whether they are otherwise parties to collective bargaining agreements;

(c) establish uniform terms and conditions of employment for all construction craft labor employed on the projects;

(d) contain guarantees against strikes, lockouts, and similar job disruptions;

(e) set forth effective, prompt, and mutually binding procedures for resolving labor disputes arising during the project labor agreement; and

(f) include any other provisions as negotiated by the parties needed to promote successful delivery of the assisted project.

4. Penalties and sanctions. The failure of a party receiving assistance under the Act to ensure compliance with the requirements of this section shall constitute a material breach of the agreement under which assistance is provided and shall permit the state to impose applicable penalties and sanctions for conduct constituting non-compliance, including but not limited to revocation of all or part of the assistance provided by the state.

5. Responsible contractor requirements. The party which receives assistance from the state for a renewable energy project, energy efficiency project, or other construction project undertaken with support from the authority shall take the necessary contractual actions to ensure each contractor and subcontractor involved in the construction of the assisted project completes a sworn certification that the firm:

(a) has the necessary resources to perform the portion of the assisted project to which they are assigned, including the necessary technical, financial, and personnel resources;

(b) has all required contractor, specialty contractor or trade licenses, certifications or certificates required of any business entity or individual by applicable state or local law;

(c) participates in an apprenticeship training program for each trade in which it employs craft workers that is registered with and approved by the U.S. department of labor or a state apprenticeship agency and shall provide proof within seven days of a request from the authority or any authority or agency that its program is actively training employees, has functioning training facilities, and is regularly graduating apprentices to journey person status, and such apprentices are placed in employment, hereinafter referred to as "class A apprenticeship programs";

(d) in the past three years:

(i) has not been debarred by any government agency;

(ii) has not defaulted on any project;

(iii) has not had any license, certification or other credential relating to the business revoked or suspended;

(iv) has not been found in violation of any law applicable to its business that resulted in the payment of a fine, back pay damages, or

any other type of penalty in the amount of ten thousand dollars or more; will pay craft personnel employed on the project, at a minimum, the applicable wage and fringe benefit rates for the classification in which the worker is employed in accordance with applicable required rates for the project; and

(e) will not misclassify craft labor employees as independent contractors.

6. Contractor responsibility certifications executed in accordance with this article:

(a) shall be submitted to the authority and the department at least thirty days prior to commencement of construction of a state-assisted project; and

(b) shall constitute public documents which shall be made available without redaction on a publicly available website within seven days of being submitted to the authority and the department.

7. Fraudulent certifications. A responsible contractor certification containing false, misleading, or inaccurate information shall, after notice and opportunity to be heard, subject the firm to a three-year debarment from future public and publicly assisted projects and other applicable penalties and sanctions.

8. Penalties and sanctions. The failure of a party receiving assistance under the Act to ensure compliance with the requirements of this article shall constitute a material breach of the agreement under which assistance is provided and shall permit the state to impose applicable penalties and sanctions for conduct constituting non-compliance, including but not limited to revocation of part or all of the assistance provided by the state.

9. Prevailing wage rates. Contractors and subcontractors on assisted projects shall pay construction craft employees on the project, at a minimum, the applicable prevailing wage and fringe benefit rates for the appropriate classification in which the worker is employed. Firms engaged in the construction of an assisted project shall be subject to all reporting, and compliance requirements of article eight of this chapter. Violations of prevailing wage requirements on assisted projects shall be subject to penalties and sanctions applicable to public works projects.

10. Prevailing wage exception. Prevailing wage requirements under the Act shall not apply to assisted projects covered by project labor agreements.

§ 229-a. Best value requirements for the solicitation, evaluation and award of renewable energy projects, energy efficiency projects, other construction projects undertaken with support from the authority or receiving state assistance. 1. Purpose. The purpose of this section is to establish best value requirements for the solicitation, evaluation and award of renewable energy projects, energy efficiency projects, and other construction projects undertaken with support from the authority, or assisted by the state, including those assisted by the Act.

2. Definitions. For purposes of this section, the following terms shall be defined as follows:

(a) "agency" means the New York state energy research and development authority or any other state department or agency that provides assistance to covered projects.

(b) "best value" shall be given the meaning specified in paragraph j of subdivision one of section one hundred sixty-three of the state finance law.

(c) "contracting team" means the lead contractor and project subcontractors.

(d) "covered projects" means projects designed to provide renewable energy, as defined in paragraph (b) of subdivision one of section sixty-six-p of the public service law, which are eligible to receive energy credits or other forms of assistance from the state.

(e) "offeror" means the project owner, developer or other entity which seeks to propose a renewable energy project, energy efficiency project, other construction project undertaken with support from the authority, or receiving state assistance and obtain renewable energy credit or other assistance from the state.

(f) "lead contractor" means the general contractor, construction manager or other prime contractor which is contracted by the offeror to build a covered project.

(g) "project team" means the lead contractors and all subcontractors proposed for the project.

3. Solicitation requirements for covered projects. Solicitations used to provide state assistance to covered projects shall utilize the following procedures:

(a) solicitations shall be designed to ensure best value results for the state by:

(i) permitting project proposals for any type of viable renewable energy source; and

(ii) promoting maximum competition among qualified offerors presenting proposals.

(b) solicitations shall be administered through a public request for proposals process that provides adequate notice, instructions for submitting proposals and other relevant information as determined by the agency.

(c) requests for proposals shall require sealed proposals from an offeror, which include:

(i) proposed project, including type, viability and projected amount of energy, project plan and schedule.

(ii) the qualifications, resources and capabilities of the offeror and, the project team to be used on the project.

(d) the agency shall approve the project that provides the best value, considering the viability and benefits of the proposed project and qualifications of the offeror and project team.

4. Request for proposals process. Requests for proposals shall be administered in compliance with this section and additional instructions set forth in the solicitation and notice of requests for proposals:

(a) the agency shall evaluate proposals on the basis of a maximum point scale. The proposal that attains the high score shall be selected for award. Proposals shall be scored only on the basis of the evaluation factors set forth in the request for proposals.

(b) request for proposals shall include only factors listed in this section and any additional factors or subfactors the agency deems necessary for achieving best value results for the state.

(c) in determining which proposal offers the best value to the state, the agency shall evaluate the following factors in accordance with the following criteria:

(i) proposed project;

(ii) offeror qualifications;

(iii) project team qualifications;

(iv) economically disadvantaged impact.

5. Project selection. The offeror that complies with the specifications and requirements of the request for proposals and receives the highest maximum score shall be selected by the agency for project award.

6. Evaluation of proposed project. In evaluating competitive proposals, the agency shall evaluate the proposed project on the following factors:

(a) projected amount of energy to be generated;

(b) viability of the proposed energy source;

(c) feasibility of the project plan and schedule;

(d) qualifications of the project team.

7. Evaluation of offeror's qualifications. The offeror's qualifications shall be determined by an evaluation of its past performance record, expertise and technical qualifications and present performance capabilities, including financial resources and experience of the offeror's senior management and project team management.

8. Evaluation of project team qualifications. The qualifications of the lead contractor and subcontractors shall be determined by an evaluation of the following subfactors:

(a) past performance record: 30 points. Evaluation of this subfactor requires a review of past projects, including budget, schedule and safety data, performance evaluation reports, quality of workmanship and compliance with project specifications.

(b) expertise and technical qualifications: 10 points. Evaluation of this subfactor requires examination of the general and specific experience in relevant market sectors and in projects similar to the proposed project.

(c) performance capabilities of management: 10 points. Evaluation of this subfactor requires examination of:

(i) resources, including equipment and financial resources;

(ii) experience of the senior management and project management of the lead contractor and subcontractors; and

(d) performance capabilities of craft labor: 40 points. Evaluation of craft labor personnel shall consider the use of:

(i) project labor agreements as a reliable source for ensuring an adequate supply of skilled craft labor in all trades needed for the proposed project;

(ii) participation in registered apprenticeship programs that have a track record of graduating apprentices for at least three years and journeyperson;

(iii) training programs used to provide training for up-grading skills or training for specialized skills; and

(iv) training programs that provide safety training and certification, including, but not limited to OSHA 10 hour and 30 hour programs.

9. Prelisting of subcontractors. The lead contractor shall provide a list in its proposals that identifies the names of all subcontractors, regardless of tier, it proposes to use for the project and the scope of work and approximate percentage of the total project of each subcontractor listed.

10. Prequalification process. Requests for proposals may be preceded by a prequalification stage to require interested offerors to demonstrate that they have adequate minimum qualifications and sufficiently viable project proposals to qualify to compete in a request for proposals process.

11. Evaluation of economically disadvantaged impact. Evaluation of this factor shall include an assessment of the degree to which the

project promotes opportunities to small, minority-owned businesses and workers in economically disadvantaged communities.

12. Project evaluation team. Proposals submitted in response to request for proposals under this section shall be evaluated by a technical evaluation team that consists of no fewer than three persons qualified to conduct such evaluations.

13. Audits of evaluation process. Proposal evaluations pursuant to this section shall be subject to periodic audits, including random, unannounced audits by qualified personnel appointed by the agency to ensure the evaluation process is conducted in accordance with this section and the requests for proposals.

14. Project performance evaluations. Project evaluation reports shall be prepared upon completion for projects that receive state assistance. Project evaluation reports shall include information determined relevant by the agency but shall at a minimum include the following:

(a) the amount of energy projected in the project proposal and the actual amount of energy the facility is capable of producing;

(b) the proposed project completion date and the actual completion date; and

(c) additional information as determined by the agency.

§ 229-b. Best value requirements for all work other than construction.

1. Purpose. This section establishes best value requirements for the solicitation, evaluation and award of renewable energy and other projects assisted by the state, including those assisted by the Act. All investments under this section shall utilize the following best value framework to evaluate bids for projects developed with these funds. The best value framework shall provide specially-defined best value contracting and labor provisions as options for any bidder responding to requests for proposals for renewable energy projects. Bids that include responsive provisions can receive added credit to their bid scores.

2. Definitions. For purposes of this section, the following terms shall be defined as follows:

(a) "awarding authority" shall mean the governmental unit empowered to request bids and enter into contracts for renewable energy projects, energy efficiency, and other projects other then the construction aspect of the project funded by this statute.

(b) "best-value framework" shall mean contracts and subcontracts on projects funded by the Act shall use a best-value framework to consider the quality, cost and efficiency of offers when evaluating procurement contract proposals. Such framework shall reflect, whenever possible, objective and quantifiable analysis and identify a quantitative factor for offerors.

(c) "contract" shall mean a direct agreement between a vendor and the awarding authority for projects funded by the Act valued at five million dollars and over.

(d) "vendor" shall mean a business entity entering into a contract with the awarding authority for projects, including manufacturing projects, funded by the Act.

(e) "subcontract" shall mean an agreement between a vendor and subvendor to provide manufactured materials or perform additional work under the vendor.

(f) "subvendor" shall mean a business entity entering into a subcontract with the vendor to provide manufactured materials for completion of a contract or perform additional work under the vendor.

(g) "U.S. employment plan" (USEP) shall mean the plan which an entity submitting proposals to awarding authorities for renewable energy

projects, energy efficiency, other projects other than the construction aspect of the project include in their proposal to receive extra credit and/or points as defined by the applicable awarding authority. If a proposer chooses to submit a U.S. employment plan to win extra credit, the proposal shall include a worksheet with: proposed wages, benefits, retraining and training, including a workforce training plan, completed by the proposer and the potential subvendors, and a narrative description of the proposers' plan to:

(i) recruit and hire individuals from zip codes with high rates of poverty unemployment, and chronic unemployment;

(ii) give priority in any hiring of employees not currently or previously employed by the proposer and the suppliers of manufactured materials for the project to individuals with barriers to employment including people who have been incarcerated, people with disabilities, and people who have been traditionally underrepresented in manufacturing or construction employment, like women and minorities; and

(iii) recruit from "disadvantaged workers" and "disadvantaged communities" as defined by the Act and not detailed in this section.

(h) "local employment plan" shall mean the plan which an entity submitting proposals to awarding authorities for renewable energy projects, energy efficiency, other projects other than the construction aspect of the project include in their proposal to receive extra credit and/or points as defined by the applicable awarding authority. The local employment plan will apply to work that is not financed with federal money. A proposer is required to submit a local employment plan to win extra credit. The proposer shall include the same items in the U.S. employment plan as well as a plan:

(i) to retain and create high-skilled local jobs; and

(ii) to develop family-sustaining career pathways into the sector for disadvantaged workers and disadvantaged communities in a specified local area.

(i) "workforce training plan" means a plan to create permanent, transferable skills for all new hires and retained employees under a contract proposal, which may:

(i) take advantage of publicly funded workforce development programs, an apprenticeship program registered with the department or a federally recognized state apprenticeship agency and that complies with the requirements under Parts 29 and 30 of title 29, code of federal regulations; and

(ii) include pre-apprenticeship commitments to provide training that helps participants in apprenticeship programs prepare for and successfully complete their training.

3. Application process. This section shall apply to all contracts as defined in this section.

(a) in awarding contracts under this section, awarding authorities shall utilize the best-value framework for contracts.

(b) awarding authorities shall develop a system for awarding extra points and/or credit for those proposers that create and submit a local employment plan or U.S. employment plan (depending on source of funding).

(c) final contracts with a local employment plan and/or U.S. employment plan that are awarded under this section shall require vendors to submit quarterly reports within the first year of award and annual reports for subsequent years demonstrating vendor and subvendor compliance with their local employment plan and/or U.S. employment plan. These quarterly and annual reports shall be certified under penalty of perjury

and must be submitted in order to receive milestone payments under the contract.

(d) requests for proposals under this section shall specify that terms and conditions of employment and compliance reports under the local employment plan and/or U.S. employment plan are not exempt from disclosure under the freedom of information law. Quarterly and subsequent annual reports related to contract fulfillment will be shared online on the awarding authority's web site.

(e) the awarding authority shall enact regulations creating forms for completion of the local employment plan and/or U.S. employment plan that the awarding authority will include with requests for proposals for contracts.

§ 6. Section 231 of the labor law is amended by adding a new subdivision 8 to read as follows:

8. Building service employees employed in any building or facility that has received grants or tax abatements or exemptions or other assistance with a total present financial value of one million dollars or more for the increase of energy efficiency, building electrification upgrades, the development of renewable energies, or climate change resiliency shall be paid not less than the prevailing wage. Employers engaged in the provision of building service work shall be subject to all the reporting and compliance requirements of this article, including the right to maintain an action for the difference between the prevailing wages and the wages actually received. The prevailing wage requirement shall apply for the duration of the assistance or ten years after the project opens, whichever is longer.

§ 7. Article 8 of the public authorities law is amended by adding a new title 9-C to read as follows:

TITLE 9-C
CLIMATE CHANGE JUST TRANSITION
SUBTITLE I
GENERAL PROVISIONS

Section 1910. Definitions.
1911. Coordination of programs.
1912. Transparency and accountability.
1913. Report on community ownership.

SUBTITLE II
COMMUNITY JUST TRANSITION

Section 1914. Definitions.
1915. Office of community just transition.
1916. Establishment of community just transition program.
1917. Administration by the authority.
1918. Allocation of funds.
1919. Selection process.
1920. Identification of disadvantaged community needs.
1921. Community decision-making and accountability mechanisms.
1922. Criteria for implementing community accountability mechanisms.
1923. Consultation with the working group.

SUBTITLE III
CLIMATE JOBS AND INFRASTRUCTURE

Section 1924. Definitions.
1925. Establishment of climate jobs and infrastructure program.

1926. Administration by the authority.
1927. Allocation of funds.
1928. Funding instruments.
1929. Selection process and criteria.
1930. Consultation with the advisory council.
1931. Comprehensive approach to existing structures.
1932. Advisory council of the climate jobs and infrastructure program.

SUBTITLE IV

JUST TRANSITION FOR IMPACTED WORKERS AND COMMUNITY ASSURANCE

Section 1933. Definitions.
1934. Establishment of worker and community assurance board.
1935. Establishment of worker assurance program.
1936. Establishment of community assurance program.
1937. Administration.
1938. Allocation of funds.
1939. Selection process.
1939-a. Designation of significant impact.
1939-b. Public engagement and social dialogue.
1939-c. Reporting.

§ 1910. Definitions. For the purposes of this subtitle, the following terms shall have the following meanings:

1. "Advisory council" means the advisory council established under section nineteen hundred thirty-two of this title.

2. "Authority" means the climate and community investment authority.

3. "Community ownership" means projects, businesses and legal models in regard to renewable energy assets and services that allow for one or more of the following:

(a) the flow of benefits from energy generation and conservation goes directly to communities and utility customers while minimizing the extraction of benefits and profit by third-parties;

(b) access to energy infrastructure ownership, including energy efficiency measures and savings, by renters, non-profit organizations, and individuals with a broader spectrum of income and credit profiles than traditional financing allows for;

(c) creation of cooperative and cooperative-like structures for the development and ownership of energy infrastructure; and

(d) ownership by individuals or organizations that are located where a project is sited.

4. "Constituency-based organization" means an organization incorporated for the purpose of providing services or other assistance to economically or socially disadvantaged persons within a specified community, and which is supported by, or whose actions are directed by, members of the community in which it operates.

5. "Director" means the director of an office appointed under paragraph (b) of subdivision seven of section twenty-seven hundred ninety-nine-uuuu of this article.

6. "Disadvantaged communities" means communities that bear burdens of negative public health effects, environmental pollution, and impacts of climate change, and possess certain socioeconomic criteria, as identified pursuant to section 75-0111 of the environmental conservation law.

7. "Downstate region" means the counties of Richmond, Kings, Queens, New York, Bronx, Westchester, Nassau and Suffolk.

8. "Emissions leakage" means an increase in emissions outside of the state, as a result of, or in correlation with, the implementation of measures within the state to limit such emissions.

9. "Greenhouse gas" shall have the same meaning as in subdivision eight of section 19-1301 of the environmental conservation law.

10. "Office" means the office of climate and community investment established under this title.

11. "Municipality" shall have the same meaning as in subdivision six of section four hundred eighty-one of the executive law.

12. "Regulated air contaminant" shall have the same meaning as in subdivision twenty-two of section 19-0107 of the environmental conservation law.

13. "President" means the president of the authority.

14. "Tribal nation" means those tribes, nations or other organized groups of persons having origins in any of the original peoples of North America recognized in the state or considered by the federal secretary of the interior to be a tribal nation, including the following New York state tribal nations: Cayuga Nation, Oneida Nation of New York, Onondaga Nation, Poospatuck or Unkechauge Nation, Saint Regis Mohawk Tribe, Seneca Nation of Indians, Shinnecock Indian Nation, Tonawanda Band of Seneca and Tuscarora Nation.

15. "Upstate region" means all New York counties other than Nassau, Suffolk, Richmond, Kings, Queens, New York, Bronx and Westchester.

16. "Working group" means the climate justice working group created pursuant to section 75-0111 of the environmental conservation law.

§ 1911. Coordination of programs. The authority shall undertake actions to ensure maximum coordination between each of the programs created under section three thousand forty-six of the tax law, including:

1. conducting each program such that all three programs together:

(a) maximize the total economic and social benefits to New York;

(b) maximize administrative efficiency;

(c) achieve the most cost-effective and the greatest amount of reductions in greenhouse gas emissions and regulated air contaminants;

(d) achieve an equitable distribution of funds;

(e) maximize benefits to disadvantaged communities;

(f) encourage early action to reduce emissions;

(g) minimize emissions leakage;

(h) promote equitable access to program participation across programs, including interoperability with existing programs and the use of universal eligibility applications for low-income applicants who may be eligible for multiple services; and

(i) identify and utilize best industry standard practices to overcome barriers to implementation, such as split incentives for energy efficiency.

2. Not less than two times annually, the authority shall convene a meeting that includes the president, the working group, and the advisory council, to discuss options for improving the coordination of the three programs.

3. In consulting with the working group and the advisory council pursuant to this section, the authority shall adhere to the following procedures:

(a) The authority shall provide, to all working group and advisory council members, notice of meetings not less than thirty days before the date of the meeting; and

(b) The authority shall provide, to all working group and advisory council members, electronic copies or hard copies of any written or other informational materials to be discussed at a given meeting not less than thirty days prior to the date of that meeting.

§ 1912. Transparency and accountability. 1. No later than two years following the effective date of this title, and every two years thereafter, the president, in partnership with the working group, shall produce a report on the implementation of the programs established under this title and the extent to which program implementation is meeting stated program goals and priorities. Such report shall include but not be limited to:

(a) For the program under subtitle two of this title:

(i) the extent to which needs identified in the needs assessment are being met;

(ii) the effectiveness of projects funded under the program in reducing emissions of greenhouse gas and regulated air contaminants;

(iii) the effectiveness of projects funded under the program in reducing the energy burdens of households in disadvantaged communities;

(iv) the geographic distribution of grants made under the program;

(v) barriers reported by eligible applicants in developing competitive proposals and receiving funding;

(vi) the jobs created as a result of funds distributed under the program by type, duration, and pay scale; and

(vii) the number of projects funded that are community-owned or incorporate community ownership, including an assessment of continued barriers to community ownership.

(b) For the program under subtitle three of this title:

(i) the number of jobs created by the program;

(ii) the effectiveness of projects funded under the program in reducing emissions of greenhouse gas and regulated air contaminants;

(iii) the extent to which projects funded under the program leveraged additional private investment;

(iv) the number of minority and women-owned businesses involved in projects funded under the program as lead contractors or subcontractors, and barriers to involvement by such businesses;

(v) the effectiveness of projects funded under the program in reducing energy burdens of households, including households in disadvantaged communities; and

(vi) the impact of the program on disadvantaged communities, including the impact on the elderly, youth, women and children.

(c) For the program under articles forty-two and forty-three of the tax law:

(i) the actual costs of the fee as compared to the amount of the rebate;

(ii) the overall net cost to households; and

(iii) the rate of participation in the program by eligible households and the barriers to participation, if any.

2. Before finalizing the report described in subdivision one of this section, the president shall ensure that there are meaningful opportunities for public participation, including by:

(a) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of a draft report; and

(b) holding at least four regional public hearings, including two meetings in the upstate region and two meetings in the downstate region,

with emphasis on maximizing participation and accessibility for members of disadvantaged communities.

3. The final report shall be submitted to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly, and shall be posted on the website of the authority.

§ 1913. Report on community ownership. 1. Not later than two years following the effective date of this subtitle, and every two years thereafter, the authority, with input from the working group, the department of labor, the state energy planning board and the department of environmental conservation, shall produce a report on barriers to, and opportunities for, community ownership, including:

(a) a study of contractual and pricing mechanisms that make siting and ownership of renewable energy assets and services in disadvantaged communities more viable and scalable.

(b) recommendations on how to increase community ownership in disadvantaged communities of the following services and commodities:

(i) distributed renewable energy generation;

(ii) utility scale renewable energy generation;

(iii) energy efficiency and weatherization investments; and

(iv) electric grid investments, including energy storage and smart meters.

2. Before finalizing the report described in subdivision one of this section, the president shall ensure that there are meaningful opportunities for public participation, including by:

(a) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of a draft report; and

(b) holding at least four regional public hearings, including two meetings in the upstate region and two meetings in the downstate region, with emphasis on maximizing participation and accessibility for members of disadvantaged communities.

3. The final report shall be submitted to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly, and shall be posted on the website of the authority.

§ 1914. Definitions. For the purposes of this subtitle, the following terms shall have the following meanings:

1. "Disadvantaged communities" shall have the same meaning as in subdivision three of section 75-0111 of the environmental conservation law.

2. "Eligible lead applicant" means a constituency-based organization or a tribal nation, in or serving a disadvantaged community or communities. Notwithstanding the preceding sentence, a constituency-based organization or tribal nation may be an eligible lead applicant, whether or not it is in or serving a disadvantaged community or communities, if it makes an application for funding on behalf of one or more constituency-based organizations or tribal nations that are in or serving one or more disadvantaged communities with the consent of such constituency-based organization or organizations or tribal nation or nations and subgrants to such constituency-based organization or organizations or tribal nation or nations. A municipality or county where a project is proposed to be located shall also be considered an eligible lead applicant if it affirms that there is no constituency-based organization or tribal nation in or serving the disadvantaged community or that is willing or able to submit an application or consent to be a subgrantee under

this subdivision, and that it provided a reasonable opportunity for residents and organizations in or serving the municipality or county to comment on the application prior to submission.

3. "Eligible sub-applicants" means private sector entities, academic institutions, non-profit organizations, other stakeholders, and municipalities and counties in cases where there is a constituency-based organization in the disadvantaged community or communities.

4. "Fund" means the community just transition fund established under subdivision one of section three thousand forty-six of the tax law.

5. "Minority- or women-owned business enterprise" means either a "minority-owned business enterprise" as defined in subdivision seven of section three hundred ten of the executive law, or a "women-owned business enterprise", as defined in subdivision fifteen of such section.

6. "Working group" means the climate justice working group established under section 75-0111 of the environmental conservation law.

7. "Program" means the community just transition program established under this subtitle.

8. "Community ownership" shall have the same meaning as set forth in subdivision three of section nineteen hundred ten of this title.

9. "Downstate region" means the counties of Richmond, Kings, Queens, New York, Bronx, Westchester, Nassau and Suffolk.

10. "Upstate region" means all New York counties other than Nassau, Suffolk, Richmond, Kings, Queens, New York, Bronx and Westchester.

§ 1915. Office of community just transition. 1. The authority shall establish, not later than six months after the effective date of this subtitle, the "office of community just transition". Such office will administer the fund and the program, among other duties. Such office shall be responsible for implementing new, progressive and equitable grant opportunities that support disadvantaged communities transitioning to a regenerative renewable energy economy. The office will collaborate with the working group to develop and assess programs.

2. The office will abide by the principles of environmental justice, including the 1994 federal executive order 12898 (in relation to environmental justice) and the Jemez Principles of Democratic Organizing. Such principles shall include: being inclusive; placing an emphasis on bottom-up organizing; letting people speak for themselves; working together in solidarity and mutuality; building just relationships among ourselves; and making a commitment to self-transformation.

3. The office shall be led by a director. Not later than six months after the formation of the working group, the working group shall nominate not less than three candidates for the position of director. Not later than three months after the working group has nominated candidates, the president shall select the director from this group of candidates.

§ 1916. Establishment of community just transition program. There is hereby established within the authority, a community just transition program, to be implemented by the director. The purpose of the program is to disburse funds from the community just transition fund pursuant to section nineteen hundred eighteen of this subtitle.

§ 1917. Administration by the authority. Within six months of the effective date of this subtitle, the authority is hereby authorized and directed to establish and administer the community just transition program. The authority shall implement the program in consultation with the working group. The authority is authorized and directed to:

1. use monies made available for the program, pursuant to sections nineteen hundred eighteen and nineteen hundred nineteen of this subtitle;

2. enter into contracts with eligible lead applicants and sub-applicants through a competitive selection process;

3. recover from the monies made available for the program, not in excess of two percent of annual fund proceeds, its own necessary and documented costs incurred in administering the program, including program evaluation, compensation for members of the working group, compensation for at least one full-time authority staff person dedicated to supporting the working group; and

4. exercise such other powers as are necessary for the proper administration of the program.

§ 1918. Allocation of funds. 1. Funds from the community just transition fund shall be disbursed through direct grants to eligible lead applicants.

2. At least seventy-five percent of funds from the community just transition fund shall be for projects physically located within a designated disadvantaged community, or for projects as close to such community as is practicable, provided that a project not physically located in the disadvantaged community shall only be eligible for funding under this subdivision if the authority finds that it is impracticable to locate the project in such disadvantaged community or that funding such project is in the best interests of such disadvantaged community, taking into account such factors as the burdens of negative public health effects, environmental pollution and the impacts of climate changes. Any project funded under this subdivision shall achieve one or more of the goals in paragraph (a), (b) or (c) of this subdivision:

(a) maximizing greenhouse gas emissions reductions, including through the completion of projects, including but not limited to: energy efficiency and energy demand reduction; renewable energy; energy storage; renewable energy-powered microgrids; energy resiliency; demand response; and reducing urban heat island effects through various means, such as through the completion of urban forestry, urban agriculture, or green infrastructure projects;

(b) the reduction of other regulated air contaminants in conjunction with greenhouse gas emissions reductions; and

(c) community ownership and governance, including through the funding of planning, design and construction of community solar installation and other projects listed under paragraph (a) of this subdivision.

3. Up to twenty-five percent of funds from the community justice transition fund may be used for projects other than as specified in subdivision two of this section, but must provide at least one of the following benefits to one or more designated disadvantaged communities:

(a) reducing emissions from stationary sources, including the permanent closure of fossil fuel-fired power plants, including peaker-plants, or waste-to-energy plants, with priority given to reducing emissions from sources that emit pollution into the airshed of disadvantaged communities;

(b) reducing the financial burden of energy expenses for disadvantaged communities, including the reducing energy costs through the creation of community-owned solar assets; and

(c) increasing and supporting opportunities for community ownership of energy projects by residents of disadvantaged communities, including ownership of the type of energy projects specified under subdivision two of this section and by establishing community-owned energy cooperatives.

§ 1919. Selection process. 1. The director, in consultation with the working group, shall develop criteria and a process for competitively selecting project proposals under this subtitle, in accordance with this section and section nineteen hundred eighteen of this subtitle.

2. The director, in consultation with the working group, shall competitively select project proposals according to the criteria and process established under subdivision three of this section.

3. In selecting projects and distributing funds, the director shall meet the standards in paragraphs (a), (b), (c), (d), (e) and (f) of this subdivision.

(a) All projects shall be led by an eligible lead applicant; provide benefits to designated disadvantaged communities; comply with section nineteen hundred eighteen of this subtitle; incorporate community decision-making, pursuant to section nineteen hundred twenty-one of this subtitle, throughout project planning and implementation; and provide a community accountability mechanism, pursuant to section nineteen hundred twenty-two of this subtitle and comply with the labor and job performance standards in this act.

(b) Program funds as a whole shall be equitably distributed to members of disadvantaged communities, with roughly an even distribution of funds per capita among disadvantaged communities across the state.

(c) Communities shall be targeted in areas where energy costs are particularly high in relation to a measure of median household income as determined by the authority; or which have been designated as a nonattainment area for one or more pollutants pursuant to section 107 of the federal Clean Air Act (42 U.S.C. section 7407).

(d) The director shall give preference in awards to applicants that include significant participation by minority- or women-owned business enterprises.

(e) The director shall give preference in awards to applicants that implement mechanisms to maximize community ownership, pursuant to the findings of the latest report mandated by section nineteen hundred thirteen of this title.

(f) The director shall give preference in awards to projects that would not otherwise likely be completed without the support of the program.

4. The director shall encourage eligible lead applicants to propose projects in collaboration with eligible sub-applicants and comply with he labor and job performance standards in this act.

5. The director shall annually issue at least one and not more than four program opportunity notices or requests for proposals to solicit applications from eligible lead applicants.

6. The director shall prioritize creating a streamlined and simplified application and disbursement process for eligible lead applicants, including but not limited to, quarterly available grant opportunities, at least quarterly information webinars, and providing opportunities for technical assistance to navigate the application process.

7. To the extent otherwise permitted by law, the director shall distribute funds in a manner that provides at least seventy-five percent of each award up-front, to ensure that eligible lead applicants with limited existing budgets are able to implement projects effectively.

8. The director shall consult with the division of housing and community renewal and the working group to develop strategies to mitigate any adverse economic impact of the program on tenants and homeowners, including, but not limited to, residents of rent-regulated housing or recipients of housing subsidies and rent-burdened households; and

enhance long-term community cohesion while preventing gentrification and displacement.

9. Nothing in this subtitle shall preclude the authority from permitting eligible lead applicants or sub-applicants to use program funds awarded under this subtitle in conjunction with other public or private funding awarded for other purposes, providing that the lead applicant can demonstrate, in a manner sufficient to the authority, that the program goals and other requirements of this subtitle will be met.

§ 1920. Identification of disadvantaged community needs. 1. The authority, in cooperation with the working group and the commissioners of health, labor and environmental conservation, shall identify disadvantaged community needs for the purposes of implementing this section.

2. Disadvantaged community needs shall be identified, with the input of experts, local government representatives, public utility representatives, and other local stakeholders, for each disadvantaged community or set of disadvantaged communities.

3. Before finalizing the list of identified disadvantaged community needs pursuant to subdivision one of this section, the authority shall ensure that there are meaningful opportunities for public comment for all persons who will be impacted by the identified needs, including persons living in areas that may be identified as disadvantaged communities, including by:

(a) publishing draft identified disadvantaged community needs, and making such information available on the internet;

(b) holding at least six regional public hearings on the draft identified disadvantaged community needs, including three meetings in upstate regions and three meetings in downstate regions; and

(c) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of draft identified disadvantaged community needs described under paragraph (a) of this subdivision.

4. The authority, in cooperation with the working group, and the commissioners of health, labor and environmental conservation or their designees, shall meet no less than annually to review the identified disadvantaged community needs and methods used to identify such needs, and may modify such methods to incorporate new data and scientific findings, subject to the same process requirements listed under subdivision three of this section.

§ 1921. Community decision-making and accountability mechanisms. 1. The authority, in cooperation with the working group and the commissioners of health, labor and environmental conservation, shall establish criteria for appropriate community decision-making practices for the purposes of implementing this section.

2. Community decision-making practices shall be identified based on consultations with constituency-based organizations, members of disadvantaged communities, and other stakeholders identified by the authority.

3. Before finalizing the criteria for appropriate community decision-making practices pursuant to subdivision one of this section, the authority shall ensure that there are meaningful opportunities for public comment for all persons who will be impacted by the criteria, including persons living in areas that may be identified as disadvantaged communities, including by:

(a) publishing draft criteria, and making such information available on the internet;

(b) holding at least ten regional public hearings on the draft criteria, one in each region; and

(c) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of draft criteria described under paragraph (a) of this subdivision.

4. The authority, in cooperation with the working group, and the commissioners of health, labor and environmental conservation, shall meet no less than annually to review the criteria and methods used to identify appropriate community decision-making practices, and may modify such methods to incorporate new data and scientific findings, subject to the same process requirements listed under subdivision three of this section.

5. For the purposes of paragraph (b) of subdivision three of this section, "region" shall have the same meaning as in subdivision nine of section twenty-four hundred twenty-six of this chapter.

§ 1922. Criteria for implementing community accountability mechanisms. The authority, in cooperation with the working group, and the commissioners of health, labor and environmental conservation, shall establish criteria for implementing community accountability mechanisms for the purposes of implementing this section.

1. Criteria for implementing community accountability mechanisms shall be based on input from the working group.

2. Before finalizing the criteria for implementing community accountability mechanisms pursuant to subdivision one of this section, the authority shall ensure that there are meaningful opportunities for public comment for all persons who will be impacted by the criteria, including persons living in areas that may be identified as disadvantaged communities, including by:

(a) publishing draft criteria, and making such information available on the internet;

(b) holding at least six regional public hearings on the draft criteria, including three meetings in the upstate region and three meetings in the downstate region; and

(c) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of draft criteria described under paragraph (a) of this subdivision.

3. The authority, in cooperation with the working group, and the commissioners of health, labor and environmental conservation, shall meet no less than annually to review the criteria and methods used to identify community accountability mechanisms, and may modify such methods to incorporate new data and scientific findings, subject to the same process requirements listed under subdivision two of this section.

§ 1923. Consultation with the working group. In consulting with the working group in the course of implementing the program established under this subtitle, the authority shall adhere to the following procedures:

1. The authority shall convene consultation meetings with the working group not less frequently than four times annually;

2. The authority shall provide, to all working group members, notice of working group meetings not less than one month before the date of the meeting; and

3. The authority shall provide, to all working group members, electronic copies or hard copies of any written or other informational materials to be discussed at a given working group meeting not less than one month prior to the date of the meeting.

§ 1924. Definitions. For the purposes of this subtitle, the following terms shall have the following meanings:

1. "Advisory council" means the body established under section eighteen hundred ninety-eight of this article.

2. "Eligible applicant" means a constituency-based organization, tribal nation, labor union, municipality, transit agency, port authority, metropolitan planning organizations, small business, minority- or women-owned business enterprise or any other entity deemed appropriate by the authority.

3. "Fund" means the climate jobs and infrastructure fund established under subdivision two of section three thousand forty-six of the tax law.

4. "Minority- or women-owned business enterprise" means either a "minority-owned business enterprise" as defined in subdivision seven of section three hundred ten of the executive law, or a "women-owned business enterprise", as defined in subdivision fifteen of such section.

5. "Program" means the climate jobs and infrastructure program established under this subtitle.

6. "Third-party entities" means private sector entities, academic institutions, non-profit organizations and other stakeholders that are not eligible applicants.

7. "Tribal nation" shall have the same meaning as in subdivision twelve of section nineteen hundred ten of this chapter.

8. "Disadvantaged communities" shall have the same meaning as in subdivision five of section 75-0101 of the environmental conservation law.

§ 1925. Establishment of climate jobs and infrastructure program. There is hereby established within the authority, a climate jobs and infrastructure program, which shall disburse funds from the climate jobs and infrastructure fund pursuant to the goals established under section nineteen hundred twenty-seven of this subtitle.

§ 1926. Administration by the authority. Within six months of the effective date of this subtitle, the authority is hereby authorized and directed to establish and administer the climate jobs and infrastructure program. The authority shall implement the program in consultation with the advisory council, the public service commission, the New York independent system operator, the New York energy research and development authority, and the departments of transportation, environmental conservation, health and labor. The authority is authorized and directed to take the following steps:

1. using monies made available from the fund to achieve the goals of the program outlined in section nineteen hundred twenty-seven of this subtitle;

2. entering into contracts with eligible applicants and other entities through the competitive selection process authorized by this subtitle;

3. using from the monies made available for the program, not in excess of two percent of annual fund proceeds, its own necessary and documented costs incurred in administering the program, including program evaluation; compensation, at any amount to be determined by the authority, for members of the advisory council; and compensation for at least one full-time authority staff person dedicated to supporting the advisory council; and

4. exercising such other powers as are necessary for the proper administration of the program.

§ 1927. Allocation of funds. 1. Funds from the climate jobs and infrastructure fund shall be disbursed under the climate jobs and

infrastructure program to achieve quantifiable, verifiable, and significant reductions in greenhouse gas emissions and of regulated air contaminants while achieving the general goals specified in subdivision two of this section. These funds are intended to advance the goals of the climate leadership and community protection act.

2. In addition to meeting the goals specified in subdivision one of this section, funds shall be disbursed to meet the following goals:

(a) job creation, pursuant to the standards established under article eight-B of the labor law, including opportunities for new entrants into the state's workforce, and the long-term unemployed or displaced workers, and the development of an in-state manufacturing and supply chain for clean energy technologies;

(b) funding large-scale projects, including those that may span multiple communities or regions;

(c) reducing greenhouse gas emissions and energy costs through improvements in energy efficiency, energy conservation, load balancing, energy storage and the installation of clean energy technologies;

(d) achieving advancements in social equity, including promoting community ownership and governance of energy production, including youth, children, the incarcerated and the formerly incarcerated; and supporting sustainable local economic development;

(e) electrification of equipment and appliances for residential, commercial and industrial applications;

(f) promoting the participation of private capital, municipal governments and tribal nations in achieving the goals stated in this section and the use of innovative financing mechanisms to finance energy efficiency improvements through energy cost savings;

(g) encouraging the development of programs to support communities with high cumulative environmental burden, high peak energy load, and aging housing stock in order to preserve affordable housing and enhance long-term community cohesion while preventing gentrification and displacement;

(h) encouraging the development of energy efficiency and renewable energy projects and programs for and in public schools, school transportation including centralized procurement by the authority of zero-emission school buses and charging infrastructure in order to promote efficiency, innovation, and the creation of high-quality jobs in school bus and charging infrastructure manufacturing and community centers, with priority given to schools located in and serving disadvantaged communities in order to preserve and improve school infrastructure, improve community resilience and provide co-educational benefits for students in science, technology, engineering, art, ecology and science;

(i) encouraging the development of quality child and dependent care with priority given to the development of quality child care located in and serving disadvantaged communities; and

(j) encouraging the development of workforce development programs that identify and utilize best practices to provide and train workers for high quality and continuous career and work opportunities.

3. Every five years, the authority, in consultation with the advisory council, shall designate priority project types for investments based on capital funding needs, the potential for greenhouse gas emission reductions, and the potential for regional job creation. These priorities shall guide the authority in soliciting proposals and selecting projects. The first five years of funding shall prioritize investment in:

(a) public transit, with special priority for intra-city transit modes, in upstate regions and in other underserved regions of the state, including through: subsidizing transit rate reductions, the establishment of new transit routes, and improvements in transit service (including increased frequency, accessibility and safety), especially to better serve low- to moderate-income individuals; creating journey to work routes, dedicated to creating access to major areas of employment in both urban and non-urban areas, especially routes connecting non-urban areas without necessitating a trip through the central city; directing infrastructure funding, including through various approaches to supporting bonding, revolving loan funds and other financing mechanisms; and subsidizing electric and zero-emissions vehicles and infrastructure, including charging infrastructure and energy storage technologies;

(b) energy efficiency and conservation projects, including projects in public buildings, and incentives for new private buildings that achieve high efficiency or net-zero status and for retrofits of existing buildings, providing that landlords who receive retrofit funds or financial assistance of any kind under this program not be allowed to include such investments as major capital improvements or individual apartment assessments in order to raise rents to recoup costs in rent-regulated housing;

(c) large scale renewable energy projects, community-owned renewable energy projects, such as community solar and community wind projects, and publicly-owned renewable energy projects, including projects on public buildings and land;

(d) port facility electrification and sustainability measures, including but not limited to at the port of Albany, the port of Buffalo, and the New York city waterfront, including Hunts Point and Sunset Park;

(e) electric grid upgrades within the state, including the construction of electricity transmission, energy storage and smart grid infrastructure, and including support for establishing electric vehicle infrastructure and systems to optimize distributed energy resources;

(f) energy efficiency and renewable energy projects and programs for and in public schools, school transportation (including school buses) and community centers with priority given to schools located in or serving disadvantaged communities; and

(g) child and dependent care facilities and programs with priority given to child and dependent care facilities and programs located in or serving disadvantaged communities.

4. In addition to allocating funds under the program to achieve the goals and priorities outlined in this section, the authority shall allocate funds for the purposes of providing technical assistance to eligible applicants. Such technical assistance shall include assistance with: developing project proposals; implementing project proposals; conducting analysis and reporting on projects implemented under the program; and other needs identified by the authority.

5. No monies from the climate jobs and infrastructure fund shall fund police, prisons or related infrastructure.

§ 1928. Funding instruments. The authority, in consultation with the advisory council, shall determine the appropriate instrument, or variety of instruments, including grants, loan guarantees, incentives, bond payments, loan programs, and other mechanisms for achieving the goals stated in section nineteen hundred twenty-seven of this subtitle.

§ 1929. Selection process and criteria. The authority is authorized, within amounts appropriated, to disburse funds from the fund to eligible applicants on a competitive basis.

1. The authority, in consultation with the advisory council, shall develop criteria and a process for selecting project proposals submitted by eligible applicants under this subtitle.

2. In selecting projects and distributing funds, the authority shall include the following criteria:

(a) the extent to which the project meets each of the goals set forth in subdivisions one and two of section nineteen hundred twenty-seven of this subtitle;

(b) whether the project falls under a priority area for investment for the five-year period;

(c) whether the project will benefit geographic areas where energy costs are particularly high in relation to a measure of median household income as determined by the authority; or which have been designated as a nonattainment area for one or more pollutants pursuant to section 107 of the federal clean air act (42 U.S.C. section 7407);

(d) whether the applicants include significant participation by minority and women-owned business enterprises; and

(e) the extent to which projects would not otherwise be completed without the support of the program.

3. In allocating funds, the authority shall also, where possible, aim to geographically distribute funds in an equitable manner across the state, taking into account population density.

4. The authority shall encourage eligible applicants to propose projects in partnership with other eligible applicants, and with third-party entities.

§ 1930. Consultation with the advisory council. In consulting with the advisory council in the course of implementing the program established under this subtitle, the authority shall:

1. convene consultation meetings with the advisory council not less frequently than four times annually;

2. provide notice of advisory council meetings to all advisory council members not less than thirty days before the date of the meeting; and

3. provide electronic or hard copies of any written or other informational materials to be discussed at a given advisory council meeting to all advisory council members not less than thirty days prior to the date of the meeting.

§ 1931. Comprehensive approach to existing structures. 1. In consultation with the advisory council, the department of state, department of homes and community renewal, the department of environmental conservation, the New York energy research and development authority and other relevant stakeholders, the authority shall develop a master plan to:

(a) ensure a comprehensive approach exists to improve building energy efficiency that includes all of the state's existing buildings;

(b) ensure that the state meets its energy efficiency goals;

(c) reduces energy use in all existing structures and new buildings;

(d) improves and protects housing affordability and enhances long-term community cohesion while preventing gentrification and displacement; and

(e) incorporates health and safety assessments and improvements.

2. The master plan will specifically include recommendations for coordinated changes to the building and energy codes, energy efficiency programs administered by the state and others, and spending pursuant to the climate and community investment act, in order to ensure that most buildings receive deep energy efficiency retrofits that include assessment and improvements to health and safety.

3. To prepare the master plan, the authority shall convene relevant stakeholders in each region of the state at least once, giving at least

ninety days' notice of the proposed meeting in order for the public to attend. For the purposes of this subdivision, "region" shall have the same meaning as in subdivision nine of section twenty-four hundred twenty-six of this chapter.

§ 1932. Advisory council of the climate jobs and infrastructure program. There is hereby created within the authority, not later than six months after the effective date of this article, an advisory council of the climate jobs and infrastructure program. Such advisory group will be comprised of the commissioners of labor, transportation, housing and community renewal, the president of the new york state energy research and development authority, representatives from environmental justice communities, labor, youth groups, youth, regional transportation officials, transportation advocates, including representatives from upstate cities, the mid hudson region, new york city and long island, clean energy developers and energy system experts. In addition to any other functions assigned to the working group in this article, the working group shall also perform the functions assigned to the working group as set forth in this title, title thirteen of article nineteen of the environmental conservation law, article twenty-five-d of the labor law, and articles forty-two and forty-three of the tax law. For the purposes of this section, "region" shall have the same meaning as in subdivision nine of section twenty-four hundred twenty-six of this chapter.

§ 1933. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. Adversely affected employment. The term "adversely affected employment" means employment in an entity regulated by the New York state department of public service generating energy that is not renewable.

2. Adversely affected worker. The term "adversely affected worker" means an individual who, because of lack of work in adversely affected employment, has been totally or partially separated from such employment, is expected to be totally or partially separated from such employment, or is a displaced worker.

3. Adjustment assistance. The term "adjustment assistance" means any compensation, credit, benefit, funding, training, or service provided under this title through any option described.

4. Applicable firm. The term "applicable firm" means, as applicable:

(a) the firm, or subdivision of a firm, for which the group of workers who are petitioning for certification work at;

(b) the firm, or subdivision of a firm, for which a group of certified adversely affected workers work at;

(c) a group of firms within close geographic proximity, as determined by the authority, task force, or board employing a group of workers who are petitioning for certification; or

(d) a group of firms within a close geographic proximity, as determined by the authority, task force, or board, for which a group of certified adversely affected workers work.

5. "Authority" means the climate and community investment authority created by title thirty-six of this article.

6. "Board" means the worker and community assurance board established under this section nineteen hundred thirty-four of this subtitle.

7. "Energy industry" means a commercial sector, as determined by the authority, that:

(a) extracts, transports, or uses as a direct input energy resources or electricity; or

(b) is otherwise dependent on the generation or consumption of energy resources or electricity.

8. "Commissioner" means the commissioner of the department of labor.

9. "Constituency-based organization" shall have the same meaning as in subdivision three of section eighteen hundred ninety-one of this article.

10. "Department" means the department of labor.

11. "Director" means the director of an office appointed under paragraph (b) of subdivision seven of section twenty-seven hundred ninety-nine-uuuu of this article.

12. "Disadvantaged communities" shall have the same meaning as in section 75-0111 of the environmental conservation law.

13. "Displaced worker" means an individual who is a resident of New York state and who has either:

(a) been terminated or has received notice of termination as a result of a permanent facility closure; or

(b) experienced partial separation and is in the energy industry.

14. "Disadvantaged worker" is a resident of New York state who is:

(a) a woman, when considering construction and building contracts;

(b) has a household income of less than fifty percent of the area median income (AMI);

(c) an individual residing in an area of concentrated poverty;

(d) disabled;

(e) a veteran;

(f) a person previously incarcerated or convicted of a criminal offense; or

(g) long-term unemployed.

15. "Downstate region" means the counties of Richmond, Kings, Queens, New York, Bronx, Westchester, Nassau and Suffolk.

16. "Eligible lead applicant" means a constituency-based organization, labor organization, a tribal nation, local school district, or a municipal or county government located in or serving the impacted community or communities which makes an application for funding under this subtitle on behalf of itself alone or along with eligible sub-applicants.

17. "Eligible sub-applicants" means private sector entities, academic institutions, non-profit organizations, other stakeholders, with a relationship to the impacted community. Eligible sub-applicants, may apply with a lead applicant pursuant to standards prescribed by the authority. Applying with support from an eligible lead applicant.

18. "Fund" means the worker and community assurance special purpose fund created under article forty-two of the tax law.

19. "Greenhouse gas" shall have the same meaning as in subdivision eight of section 19-1301 of the environmental conservation law.

20. "Labor organization" means any organization which exists and is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning grievances, terms or conditions of employment, or of other mutual aid or protection and which is not a company union. This includes but is not limited to bona fide labor organizations that are certified or recognized as the organization of jurisdiction representing the workers involved and/or bona fide building and construction trades councils and/or district councils and state and local labor federations comprised of local unions certified or recognized as the representative of the workers.

21. "Partial separation" means, with respect to an individual who has not been totally separated, that such individual has experienced:

(a) a reduction in hours of work to eighty percent or less of the individual's average weekly hours in adversely affected employment; and

(b) a reduction in wages to eighty percent or less of the individual's average weekly wage in such adversely affected employment.

22. "Permanent facility closure" means the permanent shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any thirty-day period.

23. "President" means the president of the climate and community investment authority.

24. "Program" means the worker assurance program and community assurance program established under this subtitle.

25. "Regional working group" means a regional body subordinate to the worker and community assurance task force established under this subtitle, these must be created by the task force and not incorporated into existing bodies such as the regional economic development councils.

26. "Significantly impacted community" is a community, municipality, or other area designated as such by worker and community assurance board established under this subtitle.

27. "Social dialogue" means an open dialogue with resources available to the public and all stakeholders to encourage participation intended to develop a consensus among the parties consisting of discussions where participants can discuss, be provided with resources and make decisions about how to respond to the challenges of the transition.

28. "Total separation" means the layoff or severance of an individual from employment with an applicable firm.

29. "Totally separated" means, with respect to an individual, that such individual is experiencing total separation.

30. "Upstate region" means all New York counties other than Nassau, Suffolk, Richmond, Kings, Queens, New York, Bronx and Westchester.

31. "Working group" means the climate justice working group created pursuant to section 75-0111 of the environmental conservation law.

§ 1934. Worker and community assurance board. There is hereby created no later than six months after the effective date of this subtitle, a "worker and community assurance board".

1. The board will be comprised of:

(a) the president;

(b) the commissioner of labor;

(c) the commissioner of environmental conservation;

(d) the state comptroller or their representative;

(e) four members appointed by the state senate, including:

(i) one representative of a constituency-based organization;

(ii) one representative of a labor organization;

(iii) one expert in economic development; and

(iv) one representative of an environmental justice community;

(f) four members appointed by the state assembly, including:

(i) one representative of a constituency-based organization;

(ii) one representative of a labor organization;

(iii) one expert in economic development; and

(iv) one representative of an environmental justice community.

2. The board shall be co-chaired by the president and the commissioner of labor, or their designees.

3. The board shall meet no less than quarterly. Meetings shall be open to the public, and full agendas and minutes shall be shared publicly not less than one week prior to meeting.

§ 1935. Worker assurance program. There is hereby established within the authority, a worker assurance program, to be implemented by the chair.

1. The purpose of the program is to create programs or disburse funds from the fund to benefit the following persons, regardless of immigration status or term of residency:

(a) adversely affected workers;

(b) displaced workers; and

(c) disadvantaged workers in significantly impacted communities.

2. Benefits, services, or financial support may be delivered directly by the authority or through eligible lead applicants and eligible sub-applicants.

3. Applications under this section can be made on behalf of a group of workers by an eligible lead applicant, however individuals may apply for support directly from the agency even if there is a local program administered by or application made by an eligible lead applicant.

4. All individual applicants will be approved to receive benefits, services, or financial support regardless of immigration status or term of residency. To receive benefits applicants must demonstrate they are:

(a) adversely affected workers;

(b) displaced workers; or

(c) disadvantaged workers in significantly impacted communities.

5. The board, in collaboration with the agency, will promulgate such regulations or guidelines for the creation of programs by the authority or eligible lead applicants as may be needed.

6. Benefits, services, or financial support upon an application being accepted, benefits, services, or financial support shall be made available for qualifying workers for at least three years and up to ten years.

7. These benefits shall include income support equal to their prior salary either until new employment is found at a comparable wage or as a supplement to the new wage to meet the prior level for three years; and additional appropriate supports including:

(a) employment by the authority or a lead applicant (for example doing remediation at their current site of employment) on a project to reutilize facilities to replace losses in the tax base, or pursuant to another program created under this subtitle;

(b) retraining and placement in public or private sector positions;

(c) payment towards pension support;

(d) on the job training funds or wage subsidies to match their prior salary or hourly wage;

(e) payment towards early retirement;

(f) transitional support including but not limited to skills training, job counseling, tuition support and on-the-job training; and

(g) support for impacted workers to start employee-owned business, early retirement or income support.

8. The agency will report regularly to the public, board, and task force on the status of these programs as well as what benefits are being provided and where programs have been created by eligible lead applicants.

9. When approved applicants are employed or have been immediately prior to displacement under an existing collective bargaining agreement, the authority shall notify the labor organization party to the that agreement of the application.

§ 1936. Community assurance program. There is hereby established within the authority, a community assurance program, to be implemented by the chair. The purpose of the program is to:

1. disburse funds from the fund, pursuant to this section;

2. to provide support for disadvantaged communities and significantly impacted communities directly from the authority, through local government entities, eligible lead applicants, or eligible sub-applicants to:

(a) replace lost school aid, lost property tax payments to schools, or other lost school funding;

(b) job creation programs;

(c) replace lost payment in-lieu-of taxes (PILOT) and local tax revenue, replace revenue raised by or paid by the state or an employer to municipalities or school districts (including, but not limited to, central school districts and city school districts), and other public funding that is being lost; and

(d) facilitate the expansion of existing economic development programs to enable communities to respond to permanent facility closure and/or major reductions in property taxes or pilot payments; and

3. proposals for program funding may include, but are not limited to:

(a) support to start cooperative employee-owned businesses, including by displaced workers or labor organizations;

(b) infrastructure projects in communities where energy-intensive facilities are closing;

(c) efforts at reclamation project creating a renewable project located at:

(i) a brownfield site as defined in subdivision two of section 27-1405 of the environmental conservation law, not excluding a site subject to an enforcement order as provided for in paragraph (c) of subdivision two of section 27-1405 of the environmental conservation law;

(ii) a dormant electric generating site as determined by the commission; or

(iii) real property owned by a private developer or real property owned by an applicable firm.

(d) projects proposed through negotiated project labor agreements or neutrality agreements with labor organizations representing impacted workers or adversely affected workers.

(e) small business retraining and transition programs. Including programs to identify and support small businesses, to avoid job losses due to energy transition, make technological changes or training improvements, on the job training programs, equipment grants, and technical support for existing businesses to transition to practices focused on sustainability, decarbonization, or non-emitting operations.

(f) support for local manufacturing coordinated with decarbonization programs to provide grants and no-interest loans to develop and accelerate manufacturing of:

(i) electric buses (including school buses), electric pickup trucks, electric cars, and other electric vehicles; and

(ii) energy-efficient electric appliances in significantly impacted communities and adversely affected communities.

§ 1937. Administration. 1. Within six months of the effective date of this subtitle, the authority is hereby authorized and directed to establish the programs authorized by this subtitle. The authority shall implement the programs in consultation with the board and shall:

(a) use monies made available for the programs for the establishment of worker and community assurance board pursuant to section nineteen hundred thirty-four, the establishment of the worker assurance program

pursuant to section nineteen hundred thirty-five, and the community assurance program pursuant to section nineteen hundred thirty-six of this subtitle to achieve the purposes of each program;

(b) enter into contracts with eligible lead applicants, eligible sub-applicants, and other entities through the competitive selection process authorized by this subtitle;

(c) enter into contracts with one or more program implementers to perform such functions as the authority deems appropriate;

(d) evaluate disadvantaged communities and other communities to identify those where permanent facility closure is likely, and engage in outreach to ensure that constituency-based organizations, labor organizations, and eligible applicants are aware that the program is under development and invite them to be involved in the development of the program; and

(e) exercise such other powers as are necessary for the proper administration of the program.

2. The authority shall notify labor organizations party to collective bargaining agreements covering workers in significantly impacted communities of proposed programs or funding opportunities under this section.

§ 1938. Allocation of funds. 1. Funds from the fund shall be disbursed under the programs and be used to ensure a stable transition for workers and communities impacted by the transition to a carbon free economy. Funds may be used for activities pursuant to sections nineteen hundred thirty-four, nineteen hundred thirty-five and nineteen hundred thirty-six of this subtitle.

2. The authority shall:

(a) develop clear guidelines and engage in public comment before allocating funds;

(b) determine a transparent and consistent level of funding, program portfolio, and process for accessing that support in both the upstate region and the downstate region; and

(c) coordinate with the New York state department of labor regarding the program administered by the authority that directs funds to individual New York residents pursuant to section nineteen hundred thirty-five of this subtitle;

3. (a) All projects funded pursuant to this section must be operated as zero-emission projects. No funds from this program may be awarded to any project that uses carbon-based-fuels in its operations.

(b) No funds under this subtitle shall fund police, prisons or related infrastructure.

(c) Funds administered under section nineteen hundred thirty-six of this subtitle should be coordinated whenever possible with existing programs, and with funding opportunities under other subtitles of this title.

§ 1939. Selection process. The director is authorized, within amounts appropriated, to disburse funds from the fund on a competitive basis for approved projects to eligible applicants and partners.

1. The director, in partnership with the task force and board, shall develop criteria and a process for selecting project proposals submitted by eligible applicants under this subtitle.

2. The board will select projects based on proposals from eligible lead applicants and labor organizations, based on task force's recommendation, or based on a request from an individual impacted workers and adversely affected workers.

3. Proposals should clearly articulate: the programs to be supported; the number of workers impacted; overall expected funding level; a plan

to engage the people most affected by the transition, including workers and community members; a plan for any necessary site remediation and economic development; and a plan to ensure that funding is time limited to no more than ten years of direct support from the fund.

4. The authority shall give priority to proposals from or related to:

(a) disadvantaged workers or disadvantaged communities;

(b) adversely affected workers;

(c) eligible applicants that relate to adversely affected employment;

(d) projects that have significant employment and tax base impacts when experiencing a permanent closure.

5. Where a proposal is received and one or more labor organization represent impacted workers, they shall be notified, and given a reasonable opportunity to submit a proposal either on their own or in partnership with other eligible applicants.

6. In developing the criteria, the authority and the board shall attempt to maximize: the number of people from affected communities that will benefit from any implemented project and from the suite of projects across the program; the degree of direct benefits delivered to affected communities; greenhouse gas and emissions reductions for regulated air contaminants; and, to the extent possible, the leveraging of private capital. The criteria and program shall be reevaluated and amended based on the social dialogue convened by the task force and regional working groups.

7. The authority shall encourage lead eligible applicants to propose projects in partnership with other eligible lead applicants, and in partnership with eligible sub-applicants, and will notify all those parties involved if multiple proposals are received regarding the same site, workers, or community.

8. Where possible, the authority shall aim to distribute funds in an equitable manner by region of the state.

9. If adequate funding is available, the authority may consider proposals related to other impacts associated with climate change that have the effect of causing job losses, including climate-related natural disasters.

10. The authority shall allocate funding annually, or as determined appropriate by the authority for ensuring continuous funding for the needs of the chosen programs and projects.

§ 1939-a. Designation of significant impact. 1. The authority, in cooperation with the board and working group, shall establish criteria to determine when an industry has become significantly impacted as a direct result of policies to reduce greenhouse gas emissions in New York state. The authority shall identify an initial set of industries that are significantly impacted as a direct result of emissions reduction policies for the purposes of implementing this section. After those initial set of industries, further industries can be added by the task force.

2. In designing the criteria and listing the industries described in subdivision one of this section, the authority shall consider factors such as:

(a) permanent facility closures or the closure of businesses as a result of regulatory changes related to the climate and community investment act;

(b) significant job losses across an industry as a result of technological change in order to achieve greenhouse gas emission reductions; or

(c) loss of property tax or school tax revenue that would lead to local layoffs or service reductions as a result of regulatory changes related to such act.

3. Before finalizing the criteria for identifying industries that are significantly impacted as a direct result of climate change policy and identifying a list of significantly impacted industries pursuant to subdivision one of this section, the authority shall ensure that there are meaningful opportunities for public comment, including by persons working in potentially significantly impacted industries and persons that may be identified as part of affected communities pursuant to this title, including by:

(a) publishing draft criteria and a draft list of significantly impacted industries and making such information available on the internet.

(b) holding at least six regional public hearings on the draft criteria and the draft list of significantly impacted industries, including at least three meetings in the upstate region and three meetings in the downstate region; and

(c) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of draft criteria described in paragraph (a) of this subdivision.

4. The authority, in cooperation with the board and the working group shall meet no less than four times annually to review the criteria and methods used to identify significantly impacted industries, and may modify such methods to incorporate new data and scientific findings, subject to the same process requirements listed under subdivision three of this section.

5. An industry that has been significantly impacted as a direct result of climate change policy, or workers in an industry that has been significantly impacted as a direct result of climate change policy, may also be identified based on a petition from a municipality, labor organization, or constituency-based organization located in or adjacent to an impacted community.

6. The comptroller of the state of New York shall, both as a member of the board and independent of the board, shall oversee the distribution of funds in collaboration with the authority.

§ 1939-b. Public engagement and social dialogue. 1. The board shall regularly seek input and feedback from the community, both in every region and directly from impacted communities and impacted workers.

2. All meetings of the board must be open public meetings, and shall include opportunities for meaningful public input and allow all those affected the opportunity to be a part of the dialogue; additionally, the board shall hold regional meetings in each region each year, in addition to their regular meetings in order to get public input.

3. In collaboration with the just transition working group, the director will release a preliminary report within one year of their first meeting, but after completing public engagement meetings in each region this report will include:

(a) initial recommendations for a process for a comprehensive long term just transition planning for New York state, including, but not limited to identifying impacted communities, identifying applicable firms, making recommendations for ongoing workforce strategy, and any additional programs or supports required for a just transition.

(b) identifying every community across New York that is already a significantly impacted community, already has significant adversely affected employment (including significant employment in the energy

industry is likely to be a significantly impacted community), or already has impacted workers or permanently closed facilities. The basis for communities to be included, and to schedule a start date for social dialogue and the creation of regional working groups shall begin by convening the workers and members of the impacted communities to begin a discussion about climate change's impacts on the workforce and host communities.

4. The director will create working groups in each region to commence a social dialogue consisting of discussions where participants can discuss, be provided with resources, and develop a consensus about how to respond to the challenges of the transition. The social dialogue must be directed by the people most affected. Goals of the social dialogue include: ensuring economic decisions are made with real input from those most affected they must include engagement with the broader community and across sectors including input from the community, workers, businesses and others who are impacted by climate policies, uncovering the best local economic development and workforce plans and set the stage for diverse investments into community rebirth provide resources to communities to develop solutions, including access to technical expertise, information about climate change, its impacts and causes; the impact climate change has on the communities and the workforce, and regional economy; and information about emerging jobs and sectors.

5. Within two years of the effective date of this subtitle, the director and board will release a draft plan that must include, at a minimum:

(a) specifics of how to transition a workforce into emerging jobs;

(b) estimates of sufficient resources for that transition;

(c) what expertise and supports must be allocated for the development and implementation of an effective workforce plan;

(d) a skills map for each impacted position, current and emerging new energy jobs and regional employment opportunities with similar requirements; and

(e) education and training options for workers that allows them to rapidly re-skill for jobs in demand that recognizes their current and transferable skills, provides competency-based training, learn and earn, and credit for prior learning opportunities upskilling through joint labor management journeyperson extension programs sponsored by joint apprenticeship training programs.

6. The director will also seek public input on:

(a) a policy for workforce impact statements; and

(b) additional potential funding and possible partnerships for opportunity and workforce and economic revitalization.

7. For the purposes of subdivisions two, three and four of this section, "region" shall have the same meaning as in subdivision nine of section two thousand four hundred twenty-six of this article.

§ 1939-c. Reporting. 1. No later than two years following the effective date of this subtitle, and every two years thereafter, the authority, in partnership with the working group, shall produce a report on the implementation of the program established under this subtitle and the extent to which program implementation is meeting stated program goals and priorities. Such report shall include but not be limited to:

(a) reporting on the effectiveness of the policies established under this subtitle to the legislature and public on the job creation and retention impacts;

(b) an overview of social benefits pursuant to the implementation of this section, including benefits to the economy, environment, and public health, including women's health;

(c) an overview of administrative costs for the authority, the department and other state agencies;

(d) recommendations for future policy pertaining to transition assistance; and

(e) data identifying both who submitted petitions and who received support from the program and why.

2. (a) Prior to finalizing the report described in subdivision one of this section, the authority shall ensure that there are meaningful opportunities for public participation, including by:

(i) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of a draft report; and

(ii) holding at least four regional public hearings, including: two meetings in the upstate region and two meetings in the downstate region, with emphasis on maximizing participation and accessibility for members of disadvantaged communities.

(b) The following entities shall be invited to attend and given notice of the public hearings described in paragraph (a) of this subdivision:

(i) environmental justice representatives;

(ii) organizations representing disadvantaged community members;

(iii) labor organizations in the area;

(iv) local businesses;

(v) local governments and school authorities; and

(vi) climate change experts.

3. The final report described in subdivision one of this section shall be submitted to the governor, the president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly and shall be posted on the website of the authority. Additionally, all reports shall be shared publicly through the department of information technology and telecommunications of the city of New York.

§ 8. Article 8 of the public authorities law is amended by adding a new title 36 to read as follows:

TITLE 36

CLIMATE AND COMMUNITY INVESTMENT AUTHORITY

Section 2799-tttt. Definitions.

2799-uuuu. The climate and community investment authority of the state of New York; creation.

2799-wwww. Board of trustees.

2799-xxxx. Officers and employees; expenses.

2799-yyyy. Powers and duties of the authority.

2799-zzzz. Contracts negotiated by the authority.

2799-aaaaa. Subsidiaries.

2799-bbbbb. Notes of the authority.

2799-ccccc. Bonds of the authority.

2799-ddddd. Guaranty by the state.

2799-eeeee. State and municipalities not liable on bonds or notes.

2799-fffff. Legal investments.

2799-ggggg. Deposit and investment of monies of the authority.

2799-hhhhh. Agreement of the state.

2799-iiiii. Exemption from taxation.

2799-jjjjj. Tax covenant.

2799-kkkkk. Repayment of state appropriations.

2799-lllll. Equal employment opportunity and minority and women owned business enterprise programs.

2799-mmmmm. Prevailing wage.
2799-nnnnn. Audits and annual reports.
2799-ooooo. Transparency.
2799-ppppp. Corporate existence.
2799-qqqqq. Conflicts of interest.
2799-rrrrr. Exculpation.
2799-sssss. Liberal interpretation.
2799-ttttt. Severability.
2799-uuuuu. Inconsistent provisions of other laws superseded.
2799-vvvvv. Title not affected if in part unconstitutional.
2799-wwwww. Climate manufacturing careers policy.
2799-xxxxx. Additional responsible contracting standards.

§ 2799-tttt. Definitions. For the purposes of this title, the following terms shall have the following meanings:

1. "Acquire" means, with respect to any right, title or interest in or to any property, either the act of taking by the exercise of the power of eminent domain, or the acquisition by purchase or otherwise.

2. "Authority" or "the climate and community investment authority" means the climate and community investment authority of the state of New York established by section twenty-seven hundred ninety-nine-uuuu of this title.

3. "Board" means the board of trustees of the authority.

4. "Bonds" or "notes" mean the bonds, notes or other obligations issued by the authority pursuant to this title.

5. "Director" means the director of an office appointed under paragraph (b) of subdivision seven of section twenty-seven hundred ninety-nine-uuuu of this title.

6. "Municipality" means any county, city, town, village, municipal corporation, school district or other political subdivision of the state, including any agency, authority or public corporation of the state or any of the foregoing or any combination thereof, other than the authority.

7. "President" means the president of the climate and community investment authority.

8. "Project" means an action undertaken by the authority that: causes the authority to issue bonds, notes or other obligations, or shares in any subsidiary corporation, or significantly modifies the use of an asset valued at more than one million dollars owned by the authority or involves the sale, lease or other disposition of such an asset, or commits the authority to a contract for a public works project in receipt of more than one hundred thousand dollars in total financial assistance; projects with a total value of more than ten million dollars; and privately-financed projects on public property.

9. "Revenue" means all rates, rents, fees, charges, payments and other income and receipts derived by the authority from the operation of the authority other than the proceeds of the sales of its securities, including, but not limited to, investment proceeds and proceeds of insurance, condemnation, and sales or other disposition of assets, together with all federal, state or municipal aid.

10. "Comptroller" means the New York state comptroller.

§ 2799-uuuu. The climate and community investment authority of the state of New York; creation. 1. There is hereby created a corporate instrumentality of the state to be known as the "climate and community investment authority of the state of New York" which shall be a body corporate and political and a political subdivision of the state, exercising essential government and public powers.

2. The area of operations of the authority shall be the state of New York.

3. The authority shall not be created or organized, and its operations shall not be conducted, for the purpose of making a profit. No part of the revenues or assets of the authority shall inure to the benefit of or be distributable to its trustees or officers or any other private persons, except as provided for actual services rendered.

4. The power of the authority shall be vested in and exercised by a majority of the members of the board then in office. Such board may delegate to one or more of its members or its officers, agents and employees such powers and duties as it may deem proper.

5. The board shall elect and appoint a president of the authority.

6. The board shall create within the authority:

(a) an office of environmental justice;

(b) an office of household and small business energy rebates;

(c) an office of climate jobs and infrastructure;

(d) an office of community just transition;

(e) an office of worker and community assurance;

(f) an office of value of pollution and mitigation program;

(g) an office of procurement;

(h) an office of public engagement and independent ombudsperson; and

(i) any other offices as necessary.

7. Each office created by the authority shall:

(a) Abide by the principles of environmental justice, including the federal executive order 12898 of 1994, relating to environmental justice, and the Jemez principles of democratic organizing. Such principles shall include: being inclusive; placing an emphasis on bottom-up organizing; letting people speak for themselves; working together in solidarity and mutuality; building just relationships among ourselves; and making a commitment to self-transformation.

(b) Be led by a director. Not later than six months after the formation of the authority, the climate justice working group shall nominate not less than three candidates for the position of director for each office of the authority. Not later than three months after the climate justice working group has nominated candidates, the president shall select the director for each office from this group of candidates.

8. The board and its corporate existence shall continue so long as it shall have notes, bonds or other obligations outstanding (including notes, bonds or obligations hereafter issued or incurred) and until its existence shall be terminated by law. Upon the termination of the existence of the authority, all its rights and properties shall pass to and be vested in the state.

§ 2799-wwww. Board of trustees. 1. Beginning no later than six months following the effective date of this title, the board of the authority shall be created and shall consist of thirteen trustees including:

(a) Five trustees serving ex officio, which shall consist of the commissioner of the department of transportation, the commissioner of the department of environmental conservation, the president and chief executive officer of the New York state energy research and development authority, the chair of the public service commission, and the commissioner of the department of labor;

(b) Two trustees to be appointed by the governor with consent from both houses of the legislature,

(c) Three trustees to be appointed by the temporary president of the senate, and

(d) Three trustees to be appointed by the speaker of the assembly.

2. The board shall be chaired by a board member elected by the full board, who shall not be an ex officio member.

3. At the time of appointment and for the duration of service:

(a) At least one board appointee shall live in each of the following regions: western New York, the finger lakes region, central New York, the southern tier, mohawk valley, the north country, mid-hudson, and long island;

(b) At minimum three board appointees shall be representative of environmental justice communities;

(c) One shall be a representative of a youth organization who is under the age of twenty-six years old; and

(d) All trustees appointed under this section shall have relevant experience in any or all of the following areas: utility, environmental justice, energy markets, energy systems, organized labor, workforce development, sustainable land use, transportation, and clean energy.

4. Of the appointed board trustees, four shall serve initial terms of three years, while the remaining four shall serve initial terms of four years. Thereafter, all terms shall be for a period of four years. In the event of a vacancy occurring in the office of a board trustee by death, resignation or otherwise, the respective appointing officer shall appoint a successor who shall hold office for the unexpired portion of such term.

5. A quorum for the purposes of organizing the authority and conducting business thereof shall mean fifty percent plus one.

6. No board trustee shall receive a salary, but each shall be entitled to reimbursement for reasonable expenses in the performance of duties assigned under this title.

7. Notwithstanding the provisions of any other law, any trustee, officer or employee of the state, a state agency, or a municipality shall be deemed to have forfeited or shall forfeit their office or employment by reason of their acceptance of a board trustee position on the authority.

§ 2799-xxxx. Officers and employees; expenses. 1. Pursuant to authority duly delegated to him or her, a director from time to time shall hire, without regard to any personnel or civil service law, rule, or regulation of the state and in accordance with guidelines adopted by the board, such officers, employees and consultants, as they may require for the performance of their duties and shall prescribe the duties and compensation of each such officer, employee or consultant. Notwithstanding the provisions of any general, special or local law, the board may determine that, if any pension or retirement plan becomes inapplicable or is terminated, all or such class or classes of employees of the authority as the board may determine may elect to become members of the New York state employees' retirement system on the basis of compensation payable to them by the authority.

2. Officers and employees of any state agency, department or division may be transferred to the authority, and officers, and employees of the authority may be transferred to any state agency, department, or division without examination and without loss of any civil service status or rights. No such transfer from the authority to any state agency, department, or division shall be made without the approval of the head of such state agency, department, or division and the director of the budget, and such transfer shall be in compliance with the rules and regulations of the state civil service commission.

§ 2799-yyyy. Powers and duties of the authority. 1. Except as otherwise limited by this title, the authority shall have all of the powers

necessary or convenient to carry out the purposes and provisions of this title, including but not limited to, the power to:

(a) Sue and be sued in all courts and to participate in actions and proceedings, whether judicial, administrative, arbitrative or otherwise;

(b) Have a corporate seal, to alter such seal at pleasure, and to use such seal by causing such seal or be affixed, impressed or reproduced in any manner deemed appropriate;

(c) Appoint officers, agents and employees, without regard to any personnel or civil service law, rule or regulation of the state and in accordance with guidelines adopted by the authority, to prescribe their duties and qualifications and to fix and pay their compensation;

(d) Purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or otherwise acquire, own, hold, improve, employ, use or otherwise deal in or with, real or personal property whether tangible or intangible, or any interest therein, within the state;

(e) Acquire real or personal property, whether tangible or intangible, including without limitation, property rights, interests in property, franchises, obligations, contracts, debt and equity securities, by the exercise of the power of eminent domain;

(f) Sell, convey, lease, exchange, transfer, abandon or otherwise dispose of, or mortgage, pledge or create a security interest in, all or any of its assets, properties or any interest therein, wherever situated;

(g) Purchase, take, receive, subscribe for, or otherwise acquire, hold, make a tender offer for, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge or grant a security interest in, use or otherwise deal in and with, bonds and other obligations, shares or other securities or interests therein, issued by others, whether engaged in a similar or different business or activity;

(h) Make and execute agreements, contracts or other instruments necessary or convenient in the exercise of the powers and functions of the authority under this title, including contracts with any person, firm, corporation, municipality, state agency or other entity in accordance with the provisions of section one hundred three of the general municipal law, and all state agencies and all municipalities shall hereby be authorized to enter into and do all things necessary to perform any such agreement, contract or other such instrument with the authority;

(i) Borrow money at such rate or rates of interest as the authority may determine, issue its notes, bonds or other obligations to evidence such indebtedness, and secure any of its obligations by mortgage or pledge of all or any of its property or any interest therein, wherever situated;

(j) Arrange for guarantees of its bonds, notes or other obligations by the federal government or by any private insurer or otherwise, and to pay any premiums therefor;

(k) Issue such bonds or notes or other obligations regardless of whether the income therefrom is exempt from federal income taxation;

(l) Purchase bonds, notes or other obligations of the authority at such price or prices as the authority may determine;

(m) Lend money, invest and reinvest its funds, and take and hold real and personal property as security for the payment of funds so loaned or invested;

(n) Procure insurance against any loss in connection with its properties or operations in such amount or amounts and from such insurers, including the federal government, as it may deem necessary or desirable, and to pay any premiums therefor;

(o) Create or acquire one or more wholly owned subsidiaries in accordance with section twenty-seven hundred ninety-nine-aaaaa of this title;

(p) Negotiate and enter into agreements with trustees or receivers appointed by United States bankruptcy courts or federal district courts or in other proceedings involving adjustment of debts, and to authorize legal counsel for the authority to appear in any such proceedings;

(q) File a petition under chapter nine of title eleven of the United States bankruptcy code, or to take other similar action for the adjustment of its debts;

(r) Enter into management agreements for the operation of all or any of the property or facilities owned by the authority;

(s) Maintain an office or offices at such place or places in the state as it may determine;

(t) Make any inquiry, investigation, survey or study which the authority may deem necessary to enable it to effectively to carry out the provisions of this title, and to require the production of records, books, papers, accounts and other documents, including public records, and to make copies thereof or extracts therefrom;

(u) Adopt, revise, amend and repeal rules and regulations with respect to its operations, properties and facilities, and projects as may be necessary or convenient to carry out the purposes of this title, subject to the provisions of the state administrative procedure act;

(v) From time to time enter into agreements with the New York state energy research and development authority, the department of environmental conservation, the New York power authority, the department of labor, the department of state, the metropolitan transit authority, or any other relevant entity, to finance the capital costs of projects authorized pursuant to section eighty-eight-b of the state finance law, and to issue bonds and notes for capital projects approved by the board, provided that each provision of this title relating to bonds and notes which are not inconsistent with the provisions of this section shall apply to the bonds and notes authorized by this section;

(w) Fix and collect such fees, rentals and charges for use of the authority or any part thereof necessary or convenient to produce sufficient revenue to meet the obligations of the authority as described in sections twenty-seven hundred ninety-nine-sssss and twenty-seven hundred ninety-nine-uuuu of this title;

(x) Request support and services to the office from any other state agency or authority;

(y) Transfer employees of any state agency pursuant to section twenty-seven hundred ninety-nine-xxxx; and

(z) Levy fines and fees.

§ 2799-zzzz. Contracts negotiated by the authority. Contracts negotiated by the authority as authorized under section twenty-seven hundred ninety-nine-yyyy of this title shall be entered into and executed as follows:

1. (a) The authority shall develop a procurement policy to ensure the wise and prudent use of public money in the best interest of New York state residents; guard against favoritism, fraud, and corruption; and ensure that contracts are awarded consistent with law and on the basis of best value, including, but not limited to, the following criteria: quality, cost, efficiency, and maximization of public benefits including environmental justice and the creation of high-quality jobs.

(b) The authority shall establish guidelines governing the qualifications of bidders entering into contracts relating to electric school buses and charging infrastructure, rolling stock and charging infras-

tructure for transit authorities, and large scale renewable projects. In determining whether a prospective bidder qualifies for inclusion on a list of qualified bidders for contracts related to electric school buses and charging infrastructure, transit authority rolling stock and charging infrastructure, and large scale renewable projects the authority shall consider prospective bidders' experience, financial capability and responsibility, and past performance, including performance on meeting U.S. employment plan and local employment plan, as such terms are defined by article eight-B of the labor law, commitments under section twenty-seven hundred ninety-nine-wwwww of this title.

(c) All purchase contracts for supplies, materials or equipment involving an estimated expenditure in excess of one million dollars for school buses and charging infrastructure, or five million dollars for any other projects, shall be awarded by the authority to a bidder that provides the best value to the authority after obtaining proposals in the manner established by the U.S. employment plan and local employment plan, as such terms are defined by article eight-B of the labor law, under the climate manufacturing careers policy under twenty-seven hundred ninety-nine-wwwww of this title. The authority shall also utilize the climate manufacturing careers policy when evaluating procurements made directly by the authority. All contracts for public work involving an estimated expenditure in excess of five million dollars shall comply with the labor, project performance, U.S. employment plan and local employment plan requirements of article eight-B of the labor law.

2. After agreement upon the terms of any contract under this section shall have been reached by the authority and a third party or third parties, the authority shall promptly transmit a copy of such proposed contract to the governor, the speaker of the assembly, the minority leader of the assembly, the chairman of the assembly committee on ways and means, the temporary president of the senate and the minority leader of the senate and the chairman of the senate finance committee, and shall hold a public hearing or hearings upon the terms thereof. No less than thirty days' notice of such hearing shall be provided by the authority by publication once per week during such period in six newspapers within the state to be selected by the authority. Copies of such proposed contract shall be available for public inspection during such period of thirty days at the office or offices of the authority and at such other places throughout the state as the authority may designate.

3. Following a public hearing under subdivision two of this section, the authority shall reconsider the terms of the proposed contract or contracts and shall negotiate such changes and modifications in such contract or contracts as it then deems necessary or advisable.

4. When a contract or contracts are agreed upon in terms satisfactory to the authority and all other parties to such contract, and which the authority believes to be in the public interest, the authority shall thereupon report such proposed contract or contracts, together with the authorities recommendations and the record of the public hearings thereon, to the speaker of the assembly, the chairman of the assembly committee on ways and means, the temporary president of the senate, the chairman of the senate finance committee, and the governor. The governor shall, within sixty days thereafter, indicate his or her approval or disapproval thereof and give his or her reasons for such approval or disapproval.

5. If the governor shall approve a contract, then such contract shall be executed by the president and the chair of the board of the authority

and such contract shall thereupon come into full force and effect and be binding upon the authority and all other parties thereto in accordance with such contract's terms.

§ 2799-aaaaa. Subsidiaries. 1. The authority shall have the right to exercise and perform all or part of its powers and functions through one or more wholly owned subsidiaries by acquiring the voting shares thereof, or by resolution of the board directing any of its trustees, officers or employees to organize a subsidiary corporation pursuant to the business corporation law, the not-for-profit corporation law or the transportation corporations law. Such resolution shall prescribe the purpose for which such subsidiary corporation shall be formed.

2. The authority may transfer to any of its subsidiary corporations any moneys, property (real, personal or mixed), or facilities in order to carry out the purposes of this title. Each such subsidiary corporation shall have all the privileges, immunities, tax exemptions and other exemptions of the authority to the extent such privileges, immunities, tax exemptions and other exemptions are not inconsistent with any laws under which such subsidiary was incorporated.

§ 2799-bbbbb. Notes of the authority. 1. The authority shall have the power and is hereby authorized from time to time to issue its negotiable notes in conformity with applicable provisions of the uniform commercial code for any corporate purpose and to refund from time to time any notes by the issuance of new notes, whether the notes to be refunded have or have not matured. The authority may issue notes partially to refund notes or to discharge other obligations then outstanding, and partially for any other corporate purpose of the authority. Such notes may be authorized, sold, executed and delivered in the same manner as bonds. Any resolution or resolutions authorizing notes of the authority or any issue thereof may contain any provisions which the authority is authorized to include in any resolution or resolutions authorizing bonds of the authority or any issue thereof, and the authority may include in any notes any terms, covenants or conditions which it is authorized to include in any bonds.

2. In the event the authority pledges its revenues under a resolution authorized by this section, such resolution shall not prohibit the authority from financing for additional corporate purposes, authorized by law, secured by an additional pledge of such revenues. Such additional pledge of revenues may, in the discretion of the authority, be subordinate to the pledge of such revenues securing other bonds, notes or other evidence of indebtedness of the authority. Provided, however, the authority shall not make any such additional pledge if the security of the bonds, notes or other evidences of indebtedness previously issued shall be impaired as a result thereof.

3. Neither the members of the board nor any person executing the notes or bonds shall be liable personally on the notes or bonds, or shall be subject to any personal liability or accountability by reason of the issuance thereof.

§ 2799-ccccc. Bonds of the authority. 1. The authority shall have power and is hereby authorized from time to time to issue its negotiable bonds in conformity with applicable provisions of the uniform commercial code for any purpose authorized by this title, including without limitation to:

(a) acquire any real or personal property or facilities deemed necessary by the authority;

(b) pay interest on bonds or notes of the authority;

(c) establish reserves to secure such bonds and notes;

(d) establish or maintain such other funds or accounts for such purpose or purposes as the authority may deem necessary or desirable; and

(e) to pay all other expenses of the authority incident to the issuance of such bonds or notes.

2. Except as may be otherwise expressly provided by the authority, the bonds and notes of every issue shall be general obligations of the authority payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of particular bonds or notes, or any trustee therefor, pledging any particular moneys or revenues.

3. The authority shall have power from time to time, whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other corporate purpose of the authority. Refunding bonds may be exchanged for the bonds to be refunded, with such cash adjustments as may be agreed, or may be sold with the proceeds applied to the purchase, payment or provision for payment of the bonds to be refunded.

4. Bonds may be issued, payable in annual installments, as term bonds, or both. Bonds shall be authorized by resolution of the board of the authority and shall bear such date or dates, mature at such time or times, not exceeding fifty years from their respective dates, bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America or by check at such place or places, and be subject to such terms of redemption, as such resolution or resolutions may provide. In the event that term bonds are issued, the resolution authorizing such term bonds may make such provisions for the establishment and maintenance of sinking funds for the payment thereof as the authority may deem necessary or appropriate. Bonds or notes may be sold at public or private sale at such price or prices as the authority shall determine but shall not be sold by the authority at private sale unless such sale and terms thereof have been approved in writing by the state comptroller. Pending preparation of definitive bonds or notes, the authority may issue bonds or notes in temporary form which shall be exchanged for bonds or notes in definitive form when available.

5. Any resolution or resolutions authorizing any bonds or any issue of bonds may:

(a) delegate to an officer or officers of the authority the power to approve the issuance of bonds from time to time and to fix the details of any such bonds or issues of bonds by an appropriate certificate of such authorized officer or officers; and

(b) contain provisions, which shall be a part of the contract with the holders of the bonds to be authorized as to:

(i) Pledging or creating a lien on all or any part of the moneys, revenues or properties of the authority to secure the payment of the bonds or of any particular issue of bonds or any portion of any issue of bonds, subject to such agreements with bondholders as may then exist;

(ii) The rates, fees and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues;

(iii) The setting aside of reserves or sinking funds, and the regulation and disposition thereof;

(iv) Limitations on the right of the authority to restrict and regulate the use of any of its property;

(v) Limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied;

(vi) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds;

(vii) The procedure, if any, by which the terms of any contract with bondholders may be amended, the amount or percentage of outstanding bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(viii) Defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations, and providing the rights and remedies of such holders or of a trustee acting on their behalf in the event of a default; and

(ix) Any other matters, which may affect the security and protection of the bonds and the rights of the holders thereof.

6. It is the intention of the legislature that any pledge of moneys, revenues or property or of a revenue producing contract or contracts made by the authority shall be valid and binding from the time when the pledge is made; that the moneys, revenues or proceeds so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge or lien is created pursuant to this subdivision shall need to be recorded in order to perfect such pledge or lien.

7. Neither the trustees of the authority nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

8. The authority shall have the power to, out of any funds available therefor, purchase bonds or notes at such price or prices as it deems advisable. The authority may hold, pledge, cancel or resell such bonds, subject to agreements with bondholders.

9. All bonds, notes and other obligations issued by the authority under the provisions of this title shall have all the qualities and incidents of negotiable instruments under the applicable laws of the state and all municipalities and municipal subdivisions. All insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, and all other persons whatsoever, except as hereinafter provided, who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds including capital in their control or belonging to them; provided that, notwithstanding the provisions of any other general or special law to the contrary, such bonds and notes shall not be eligible for the investment of funds, including capital, of trusts, estates or guardianships under the control of individual administrators, guardians, executors, trustees or other individual fiduciaries except when any such individual fiduciary shall be acting in such capacity with one or more corporate co-fiduciaries. The bonds and notes shall be securities which may be

deposited with and shall be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of this state is now or may hereafter be authorized.

§ 2799-ddddd. Guaranty by the state. 1. To the extent authorized by the state constitution at the time of the issuance of notes or bonds, the punctual payment of the notes and bonds shall be, fully and unconditionally guaranteed by the state, both as to principal and interest, according to their terms; and such guaranty shall be expressed upon the face thereof by the signature or facsimile signature of the comptroller or a deputy comptroller. In the event that the authority shall fail to pay when due, the principal of, or interest on, the notes or bonds, the comptroller shall pay the holder thereof, and thereupon the state shall be subrogated to the rights of the noteholders or bondholders so paid.

2. The authority shall have power to issue notes and bonds without the guaranty of the state and may issue such notes or bonds before and after the issuance of notes or bonds guaranteed.

3. When guaranteed notes or guaranteed bonds are outstanding, notes or bonds secured by a pledge of receipts or revenues having priority over such outstanding guaranteed notes or guaranteed bonds shall not be issued, except with the consent of the comptroller, and unless the authority shall by resolution first find and determine that, notwithstanding such pledge, the authority shall have adequate means to meet its obligations to the holders of such outstanding guaranteed notes or bonds.

4. When notes or bonds are outstanding secured by a pledge of receipts or revenues, guaranteed notes or bonds either unsecured, or secured by a pledge of receipts or revenues subordinate to the pledge securing such outstanding notes or bonds, shall not be issued unless the authority shall first find and determine by resolution that notwithstanding the pledge securing such outstanding notes or bonds, the authority will have adequate means to meet its obligations on the guaranteed notes or bonds about to be issued.

§ 2799-eeeee. State and municipalities not liable on the bonds or notes. Notes and other obligations of the authority shall not be a debt of the state or of any municipality, and neither the state nor any municipality shall be liable thereon. The authority shall not have the power to pledge the credit, the revenues or the taxing power of the state or of any municipality, and neither the credit, the revenues nor the taxing power of the state or of any municipality shall be, or shall be deemed to be, pledged to the payment of any bonds, notes or other obligations of the authority. Each evidence of indebtedness of the authority, including the bonds and notes of the authority, shall contain a clear and explicit statement of the provisions of this section.

§ 2799-fffff. Legal investments. Any bonds or notes issued by the authority are hereby made securities in which all public officers and bodies of this state and all municipalities, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all trusts, estates and guardianships and all other persons whatsoever, who are now or may hereafter be authorized to invest in bonds or other obligations of the state, may properly and legally invest funds, including capital in their control or belonging to them. The bonds and notes shall also be securities which may be deposited with and shall be

received by all public officers and bodies of the state and all municipalities for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized.

§ 2799-ggggg. Deposit and investment of monies of the authority. 1. All moneys of the authority from whatever source derived shall be paid to the comptroller as agent of the authority, who shall not commingle such moneys with any other moneys. Such moneys shall be deposited in a separate bank account or accounts. The moneys in such accounts shall be paid out on check of the comptroller on requisition of the chairperson of the authority or of such other person as the authority may authorize to make such requisition. All deposits of such moneys shall, if required by the comptroller or the authority, be secured by obligations of the United States or of the state of New York of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give such security for such deposits. The comptroller and his or her legally authorized representatives shall be authorized and empowered from time to time to examine the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other matters relating to its financial standing.

2. Notwithstanding the provisions of this section, the authority shall have power, subject to the approval of the comptroller, to contract with the holders of any of its notes or bonds as to the custody, collection, securing, investment and payment of any moneys of the authority, or any moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds, and to carry out any such contract. Moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds and deposits of such moneys may be secured in the same manner as moneys of the authority, and all banks and trust companies shall be authorized to give such security for such deposits. Moneys of the authority not required for immediate use may, in the discretion of the authority, be invested by the comptroller in obligations in which the comptroller may invest pursuant to section ninety-eight-a of the state finance law. Subject to agreements with noteholders and bondholders and the approval of the comptroller, the authority shall prescribe a system of accounts.

§ 2799-hhhhh. Agreement of the state. 1. The state shall not limit or alter the rights hereby vested in the authority to establish and collect such fees, rentals and charges as may be convenient or necessary to produce sufficient revenue to meet the expense of maintenance and operation and to fulfill the terms of any agreements made with the holders of notes, bonds, or other obligations of the authority not guaranteed by the state, or in any way impair the rights and remedies of such holders until such notes, bonds, and other obligations, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of such holders, are fully met and discharged.

2. The state shall pledge to and agree with the holders of any notes or bonds of the authority, not guaranteed by the state, secured by a pledge of the fees or other revenues or any part thereof so long as the obligations of such bonds for principal and interest shall not have been paid or otherwise discharged;

3. Nothing in this title shall be construed as diminishing or enlarging any valid existing rights under any license heretofore issued pursuant to the provisions of the federal power act.

§ 2799-iiiii. Exemption from taxation. 1. The operation of the authority shall be primarily for the benefit of the people of the state of New York, for the improvement of their health, welfare and prosperity, and is a public purpose, and the authority shall be regarded as performing an essential governmental function in carrying out the provisions of this title.

2. The property of the authority and its income and operations shall be exempt from taxation.

§ 2799-jjjjj. Tax covenant. The tax covenants with the purchasers and with all subsequent holders and transferees of notes and bonds issued by the authority, in consideration of the acceptance of and payment for the notes and bonds, that the notes and bonds of the authority issued pursuant to this title and the income therefrom and all its fees, charges, rents, gifts, grants, revenues, receipts and other moneys received or to be received, pledged to pay or secure the payment of such notes or bonds shall at all times be free from taxation except for estate or gift taxes and taxes on transfers.

§ 2799-kkkkk. Repayment of state appropriations. All appropriations made by the state to the authority shall be treated as advances by the state to the authority, and shall be repaid to it without interest either out of the proceeds of bonds issued by the authority pursuant to the provisions of this title, or by the delivery of non-interest bearing bonds of the authority to the state for all or any part of such advances, or out of excess revenues of the authority, at such times and on such conditions as the state and the authority may mutually agree upon.

§ 2799-lllll. Equal employment opportunity and minority and women-owned business enterprise programs. 1. All contracts entered into by the authority pursuant to this title of whatever nature and all documents soliciting bids or proposals therefor shall contain or make reference to the following provisions:

(a) The contractor shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, gender identity or expression, familial status, predisposing genetic characteristics, military status, or status as a victim of domestic violence and shall undertake or continue existing programs of affirmative action to ensure that minority group persons and women are afforded equal opportunity without discrimination. Such programs shall include, but not be limited to, recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, rates of pay or other forms of compensation, and selection for training and retraining, including apprenticeship and on-the-job training;

(b) At the request of the authority, the contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding and which is involved in the performance of the contract with the authority to furnish a written statement that such employment agency, labor union or representative shall not discriminate because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, gender identity or expression, familial status, predisposing genetic characteristics, military status, or status as a victim of domestic violence and that such union or representative shall cooperate in the implementation of the contractor's obligations under this paragraph;

(c) The contractor shall state, in all solicitations or advertisements for employees placed by or on behalf of the contractor in the performance of the contract with the authority that all qualified applicants shall be afforded equal employment opportunity without discrimination because of race, creed, color, national origin, sex, age, disability or marital status; and

(d) The contractor shall include the provisions of paragraphs (a) through (c) of this subdivision in every subcontract or purchase order in such a manner that such provisions shall be binding upon each such subcontractor.

2. The authority shall establish measures, procedures and guidelines to ensure that contractors and subcontractors undertake meaningful programs to employ and promote qualified minority group members and women. Such procedures may require after notice in a bid solicitation, the submission of a minority and women workforce utilization program prior to the award of any contract, or at any time thereafter, and may require the submission of compliance reports relating to the operation and implementation of any workforce utilization program adopted hereunder. The authority may take appropriate action, including the impositions of sanctions for non-compliance to effectuate the provisions of this section and shall be responsible for monitoring compliance with this title.

3. In the performance of projects pursuant to this title, minority and women-owned business enterprises shall be given the opportunity for meaningful participation. The authority shall establish quantifiable standards and measures and procedures to secure meaningful participation and identify those contracts and items of work for which minority and women-owned business enterprises may best bid to actively and affirmatively promote and assist their participation in projects, so as to facilitate the award of a fair share of contracts to such enterprises; provided, however, that nothing in this title shall be construed to limit the ability of the authority to assure that qualified minority and women-owned business enterprises may participate in the program. For the purposes of this section, "minority business enterprise" shall mean any business enterprise which is at least fifty-one per centum owned by, or in the case of a publicly owned business, at least fifty-one per centum of the stock or other voting interest is owned by citizens or permanent resident aliens who are black, hispanic, asian, american indian, pacific islander, or alaskan native, and such ownership interest is real, substantial and continuing and has the authority to independently control the day to day business decisions of the entity for at least one year; and "women-owned business enterprise" shall mean any business enterprise which is at least fifty-one per centum owned by, or in the case of a publicly owned business, at least fifty-one per centum of the stock to other voting interests of which is owned by citizens or permanent resident aliens who are women, and such ownership interest is real, substantial and continuing and has the authority to independently control the day to day business decisions of the entity for at least one year. The provisions of this subdivision shall not be construed to limit the ability of any minority business enterprise to bid on any contract.

4. In order to implement the requirements and objectives of this section, the authority shall establish procedures to monitor contractors' compliance with provisions of this section, provide assistance in obtaining competing qualified minority and women-owned business enterprises to perform contracts proposed to be awarded, impose contractual

sanctions for non-compliance, and take other appropriate measures to improve the access of contracts for minority and women-owned businesses.

§ 2799-mmmmm. Prevailing wage. Whenever the authority enters into any contract, subcontract, lease, grant, bond, covenant or other agreement for or in connection with any construction, demolition, reconstruction, excavation, rehabilitation, repair, renovation, alteration, or improvement project, such project shall be deemed to be a public works project for the purposes of article eight of the labor law, and all of the provisions of article eight of the labor law shall be applicable to all the work involved in the construction, demolition, reconstruction, excavation, rehabilitation, repair, renovation, alteration or improvement of such project. Funds, financial assistance, or any other benefits provided pursuant to this article shall not be utilized for or in connection with the construction, demolition, reconstruction, excavation, rehabilitation, repair, renovation, alteration, or improvement of any project to which the provisions of article eight of the labor law are not applicable.

§ 2799-nnnnn. Audits and annual reports. 1. The accounts of the authority shall be subject to the supervision of the state comptroller and an annual audit shall be performed by an independent certified accountant selected by the authority, upon recommendation of its finance committee, audit committee and the advisory board. The authority shall submit a report of such audit annually to the governor, the state comptroller, the temporary president of the senate, the speaker of the assembly. A detailed report pursuant to the provisions of section twenty-eight hundred of this chapter shall be verified by the chairman of the authority. The authority shall comply with the provisions of sections twenty-eight hundred one, twenty-eight hundred two, twenty-eight hundred three, and twenty-eight hundred four of this chapter.

2. The authority shall appoint an independent ombudsman, upon recommendation of its finance committee, audit committee and advisory board, to each office of the authority for the purposes of oversight.

§ 2799-ooooo. Transparency. 1. The authority and all subsidiaries of the authority shall be subject to the provisions of article seven of the public officers law.

2. The authority and all subsidiaries of the authority shall fully comply with all applicable open data requirements.

(a) For purposes of compliance and transparency, the authority shall appoint a chief data officer who shall create a regular public schedule of release of data.

(b) The open data reporting shall include but not be limited to a list of all grantees and amounts of grants during each reporting period, and any criteria used for the selection of grantees/fund recipients.

3. The authority and all subsidiaries of the authority shall proactively disclose all freedom of information law requests made to the authority, and publish on the authority's website any public records which were released under such law.

4. The authority and all subsidiaries of the authority shall annually post a table of organization on its website that lists, at least:

(a) All current board members;

(b) Advisory board members;

(c) Executive staff members;

(d) An accurate organizational chart; and

(e) Accurate contact information for all staff.

5. The authority and all subsidiaries of the authority shall at least annually report on their website, and to the comptroller and legislature

a list of all grantees, fund recipients, and contracts. Where deemed appropriate, all reports generated by the authority whether under this section or otherwise shall provide a list of all grantees and amounts of grants during each reporting period, and any criteria used for the selection of grantees and fund recipients.

§ 2799-ppppp. Corporate existence. The authority and its corporate existence shall continue until terminated by law, provided, however, that no such law shall take effect so long as the authority shall have bonds, notes or other obligations outstanding, unless adequate provision has been made for the payment thereof, or at which point the state of New York has reduced greenhouse gas emissions by eighty-five percent, and achieved a one hundred percent carbon free electricity procurement, and achieved seventy percent of energy acquired by renewable energy, and installed nine thousand megawatts of offshore wind energy, and installed three thousand megawatts of energy storage, and installed six thousand megawatts of solar energy, and achieved twenty-two million tons of carbon reduction through energy efficiency and electrification measures. Upon such occurrence authority shall cease to exist.

§ 2799-qqqqq. Conflicts of interest. 1. If any member, officer or employee of the authority shall have an interest, either direct or indirect, in any contract to which the authority is, or is to be, a party, such interest shall be disclosed to the authority in writing and shall be set forth in the minutes of the authority. The member, officer or employee having such interest shall not participate in any action by the authority with respect to such contract.

2. No member, officer or employee shall be deemed to have such an interest solely by reason of the ownership of two percent or less of the securities of a corporation which is, or is to be, a party to a contract with the authority, including without limitation the holding company of any banking institution in which the funds of the authority are, or are to be, deposited or which is, or is to be, acting as trustee or paying agent under any bond or note resolution, trust indenture or similar instrument to which the authority is a party.

3. Nothing in this section shall be deemed or construed to limit the right of any board member, officer or employee of the authority to acquire an interest in bonds or notes of the authority.

§ 2799-rrrrr. Exculpation. 1. The trustees and officers of the authority, while acting within the scope of their authority as trustees or officers, shall not be subject to any personal or civil liability resulting from the exercise, carrying out or advocacy of any of the authority's purposes or powers, unless the conduct of the trustees or officers is finally determined by a court of competent jurisdiction to constitute intentional wrongdoing.

2. The provisions of section seventeen of the public officers law shall apply to trustees and officers of the authority, in connection with any and all claims, demands, suits, actions or proceedings which may be made or brought against any of them arising out of any determinations made or actions taken or omitted to be taken in compliance with any obligations under or pursuant to the terms of this title.

3. Notwithstanding any other provisions of law to the contrary, the provisions of section eighteen of the public officers law shall apply to the employees of the authority, in connection with any and all claims, demands, suits, actions or proceedings which may be brought against any of them arising out of any determinations made or actions taken or omitted to be taken in compliance with any obligations under or pursuant to the terms of this title. Whenever the provisions of section seventeen of

the public officers law do not apply to the board trustees and officers of the authority, the provisions of section eighteen of the public officers law shall apply to such board trustees and officers.

4. Any costs incurred by the state in accordance with subdivision two of this section shall be treated as advances by the state to the authority, and shall be repaid to it without interest either out of the proceeds of bonds issued by the authority pursuant to the provisions of this title, or by the delivery of non-interest bearing bonds of the authority to the state for all or any part of such advances, or out of excess revenues of the authority, at such times and on such conditions as the state and the authority mutually may agree upon. Any agreement entered into by the state and the authority for the repayment of any costs incurred pursuant to subdivision two of this section, shall be subject to the approval of the public authorities control board.

5. As used in this section, the terms "trustee", "officer" and "employee" shall include a former trustee, officer or employee and his or her estate or judicially appointed personal representative.

§ 2799-sssss. Liberal interpretation. This title, being necessary for the prosperity of the state and its inhabitants, shall be liberally construed to affect the purposes of such title.

§ 2799-ttttt. Severability. The provisions of this title shall be severable, and if any part or provision of this title, or the application thereof to any person or circumstance, shall be adjudged by any court of competent jurisdiction to be invalid or unenforceable, such judgment shall not affect, impair or invalidate the remainder of this title or the application of such provision to any other person or circumstance, but shall be confined in its operation to the provision, person or circumstance directly involved in the controversy in which such judgment shall have been rendered.

§ 2799-uuuuu. Inconsistent provisions of other laws superseded. Insofar as the provisions of this title are inconsistent with the provisions of any other law or any part thereof, the provisions of this title shall be controlling.

§ 2799-vvvvv. Title not affected if in part unconstitutional. If any section, clause or provision of this title shall be unconstitutional or be ineffective in whole or in part, to the extent that it is not unconstitutional or ineffective, it shall be valid and effective and no other section, clause or provision shall on account thereof be deemed invalid or ineffective.

§ 2799-wwwww. Climate manufacturing career policy. 1. Application. The authority shall develop a "climate manufacturing careers policy" for all projects exceeding five million dollars.

2. The climate manufacturing careers policy shall require that all eligible lead applicants, eligible sub-applicants and labor organizations participating in the program and applying for grants or loans administered by the authority have the option to submit proposals that utilize the U.S. employment plan, as defined by article eight-B of the labor law, or shall use the local employment plan best-value scoring criteria as outlined in article eight-B of the labor law to: (a) create high-quality jobs and training programs for United States and New York state residents; (b) invest in new or existing manufacturing facilities; and (c) generate employment opportunities for disadvantaged workers and disadvantaged communities as determined by the authority.

3. Procedure. The climate manufacturing careers policy shall include a procedure under which the authority's procurement office shall administer the review of the proposers' bid for the U.S. employment plan and/or

local employment plan, as defined by article eight-B of the labor law, worksheet commitments and narrative. The procurement office shall score such commitments to determine awarding of the funds, grants or loans. The procurement office shall also review subsequent quarterly and annual reports submitted by the eligible lead applicants, eligible sub-applicants and labor organizations to show fulfillment of the commitments made in such U.S. employment plan and/or local employment plan worksheets and narrative.

4. Proposers shall include subcontractor and supplier participation to increase the U.S. jobs impact of the project. The climate manufacturing careers policy shall detail a system for awarding U.S. employment plan and/or local employment plan, as defined by article eight-B of the labor law, commitment credit to proposers. Proposers shall receive such U.S. employment plan commitment credit for subcontractors/suppliers with facilities in the United States.

5. The climate manufacturing careers policy shall include transparency, compliance, and enforcement procedures that, at a minimum, meet the requirements of article eight-B of the labor law. The authority will maintain a web page for each agreement that includes final contracts and U.S. employment plan and/or local employment plan, as defined by article eight-B of the labor law, compliance submissions.

§ 2799-xxxxx. Additional responsible contracting standards. 1. In order to ensure the best quality work and value for New York state and its constituent communities, to the degree allowed by law a party which receives assistance from the state for the increase of energy efficiency, electrification upgrades, the development of renewable energies, climate change resiliency, or other investments by the authority over one million dollars or receiving more than de minimis support where the overall project investment is over five million dollars shall take the necessary contractual actions to ensure that a project labor agreement or community benefits agreement is executed between the entity responsible for the assisted project and an appropriate third party.

2. Recommendations and minimum standards for qualifying agreements related to non-construction work shall be published by the authority annually, and no community benefits agreement under this section shall meet the requirements of this section without meeting such standards.

3. Penalties and sanctions. The failure of a party receiving assistance under this title to ensure compliance with the requirements of subdivision four of this section shall constitute a material breach of the agreement under which assistance is provided and shall permit the state to impose applicable penalties and sanctions for conduct constituting non-compliance, including but not limited to revocation of all or part of the assistance provided by the state.

4. Responsible contractor requirements. The party which receives assistance from the state for a renewable energy project, energy efficiency project, other construction project shall take the necessary contractual actions to ensure each contractor and subcontractor involved in the operation construction of the assisted project completes a sworn certification that the firm:

(a) has the necessary resources to perform the portion of the assisted project to which they are assigned, including the necessary technical, financial, and personnel resources;

(b) has all required licenses, certifications or certificates required of any business entity or individual by applicable state or local law;

(c) that in the past three years, the firm:

(i) has not been debarred by any government agency;

(ii) has not defaulted on any project;

(iii) has not had any license, certification or other credential relating to the business revoked or suspended; and

(iv) has not been found in violation of any law applicable to its business that resulted in the payment of a fine, back pay damages, or any other type of penalty in the amount of ten thousand dollars or more; shall pay craft personnel employed on the project, at a minimum, the applicable wage and fringe benefit rates for the classification in which the worker is employed in accordance with applicable required rates for the project; and

(c) the firm shall not misclassify employees as independent contractors.

§ 9. The tax law is amended by adding two new articles 42 and 43 to read as follows:

ARTICLE 42

CLIMATE POLLUTION FEE

Section 3039. Definitions.

3040. Imposition of carbon pollution fee.

3041. Amount of fee.

3042. Applicable entities.

3043. Calculation of emissions factors.

3044. Exemptions and deductions.

3045. Emissions leakage mitigation policy.

3046. Creation of funds within the authority.

3047. Reporting.

§ 3039. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Authority" shall mean the climate and community investment authority.

2. "Border carbon adjustment fee" means a fee imposed to address emissions leakage that adjusts the price of a good, at the point of the importation into the state of goods that require emissions of greenhouse gases for their production or operation, or export from the state, to reflect the known or estimated greenhouse gas emissions quantities associated with the production of such good.

3. "Carbon-based fuel" means coal, a petroleum product, natural gas, methane, municipal solid waste (or any other feedstocks used for waste-to-energy conversions), or biomass that may be a source of greenhouse gas emissions through combustion and fugitive emissions.

4. "Carbon dioxide equivalent" and "CO2e" mean the amount of carbon dioxide by mass that would produce the same global warming impact as a given mass of another greenhouse gas over an integrated twenty-year timeframe after emission, based on the best available science.

5. "Regulated air contaminant" shall have the same meaning as in subdivision twenty-two of section 19-0107 of the environmental conservation law.

6. "Commissioner" means the commissioner of taxation and finance.

7. "Disadvantaged communities" shall have the same meaning as in section 75-0111 of the environmental conservation law.

8. "Downstate region" means the counties of Richmond, Kings, Queens, New York, Bronx, Westchester, Nassau and Suffolk.

9. "Emissions leakage" means an increase in emissions outside of the state, as a result of, or in correlation with, the implementation of measures within the state to limit such emissions.

10. "Fugitive emissions" means those emissions of a greenhouse gas that are released during extraction, transportation of fuel, during

processing, and due to leaks during industrial processes or at solid waste and wastewater management sites.

11. "Greenhouse gas" shall have the same meaning as in subdivision eight of section 19-1301 of the environmental conservation law.

12. "Greenhouse gas emission source" or "source" means any anthropogenic source or category of anthropogenic sources of greenhouse gas emissions.

13. "Industrial processes" means those processes that include fossil fuel extraction, the operation of fuel processing plants, pipeline operations and other fuel transport, the operation of fuel refineries, and other processes involved in the extraction, refinement or transport of carbon-based fuels.

14. "Life cycle analysis" means a method for calculating greenhouse gas emissions that encompasses emissions that are released or sequestered during all phases of a fuel or other product's life, including those emissions released during extraction, processing, transport, distribution, combustion (or some other form of consumption), and disposal. Such term shall include CO2e that is sequestered during biological processes, pertaining to biomass fuel.

15. "Petroleum product" means all petroleum derivatives, whether in bond or not, which are commonly burned to produce heat, electricity, or motion, or which are commonly processed to produce synthetic gas for burning, including without limitation, propane, gasoline, unleaded gasoline, kerosene, heating oil, diesel fuel, kerosene based jet fuel, and number 4, number 5 and residual oil for utility and non-utility uses, but not including, petroleum feedstocks to plastics production or other manufacturing.

16. "Upstate region" means all New York counties other than Nassau, Suffolk, Richmond, Kings, Queens, New York, Bronx and Westchester.

17. "Working group" means the climate justice working group created pursuant to section 75-0111 of the environmental conservation law.

§ 3040. Imposition of carbon pollution fee. There is hereby imposed upon any applicable entity, as specified under section three thousand forty-two of this article, a fee in an amount determined under section three thousand forty-one of this article, on:

1. any carbon-based fuel sold, used, or brought into the state by an applicable entity as defined in section three thousand forty-two of this article; and

2. any fugitive emissions of methane emitted in the state by an applicable entity.

§ 3041. Amount of fee. 1. The amount of the fee imposed by section three thousand forty of this article, per short ton of carbon dioxide equivalent content that would be emitted through the combustion of such product, as determined by the president of the climate and communities investment authority, in consultation with the commissioner of environmental conservation, pursuant to this article, shall be equal to the following:

(a) during calendar year two thousand twenty-two, fifty-five dollars;

(b) during calendar years two thousand through two thousand twenty-five, an amount equal to the sum of:

(i) the amount in effect under this subdivision for the preceding calendar year, and

(ii) a five percent increase to the amount assessed in the previous year;

(c) during calendar years two thousand twenty-six through two thousand thirty-one, an amount equal to the sum of:

(i) the fee assessed under this subdivision for the preceding calendar year, and:

(A) two percent of the previous year's fee if the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is less than minus five percent;

(B) five percent of the previous year's fee if the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is greater than or equal to minus five percent and less than five percent;

(C) seven percent of the previous year's fee if the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is greater than or equal to five percent and less than ten percent; or

(D) ten percent of the previous year's fee if the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is greater than or equal to ten percent; and

(ii) the authority shall also assess a cost-of-living, or inflation, adjustment using the United States Bureau of Labor Statistics Consumer Price Index or, if that index is not available, another index adopted by the commissioner;

(d) during calendar years two thousand thirty-two through two thousand fifty-one, an amount equal to the sum of:

(i) the fee assessed under this subdivision for the preceding calendar year, and:

(A) two percent of the previous year's fee if the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is less than minus five percent, and the most recent cumulative environmental integrity metric, described under paragraph (b) of subdivision two of this section, is less than minus one percent;

(B) five percent of the previous year's fee if:

I. the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is greater than or equal to minus five percent and less than five percent, and the most recent cumulative environmental integrity metric, described under paragraph (b) of subdivision two of this section, is less than two percent; or

II. the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is less than five percent, and the most recent cumulative environmental integrity metric, described under paragraph (b) of subdivision two of this section, is greater than or equal to minus one percent and less than two percent;

(C) seven percent of the previous year's fee if:

I. the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is greater than or equal to five percent and less than ten percent, and if the most recent cumulative environmental integrity metric, described under paragraph (b) of subdivision two of this section, is less than three percent; or

II. the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is less than ten percent, and the most recent cumulative environmental integrity metric, described under paragraph (b) of subdivision two of

this section, is greater than or equal to two percent and less than three percent; or

(D) ten percent of the previous year's fee if:

I. the most recent five-year environmental integrity metric, described under paragraph (a) of subdivision two of this section, is greater than or equal to ten percent; or

II. the most recent cumulative environmental integrity metric, described under paragraph (b) of subdivision two of this section, is greater than or equal to three percent; and

(ii) the authority shall also assess a cost-of-living, or inflation, adjustment using the United States Bureau of Labor Statistics Consumer Price Index or, if that index is not available, another index adopted by the commissioner.

2. In two thousand twenty-four, and every year thereafter, the commissioner shall, in consultation with the department of environmental conservation:

(a) calculate the five-year environmental integrity metric, which shall equal a fraction, expressed as a percentage:

(i) the numerator of which is:

(A) the sum of the quantity of actual statewide greenhouse gas emissions, measured in short tons CO2e, in each of the preceding five years, minus

(B) the sum of the quantity of target statewide greenhouse gas emissions, measured in short tons CO2e, in each of the preceding five years, pursuant to subdivision four of this section; and

(ii) the denominator of which is the sum of the quantity of target statewide greenhouse gas emissions, measured in short tons CO2e, in each of the preceding five years, pursuant to subdivision four of this section; and

(b) calculate the cumulative environmental integrity metric, which shall equal a fraction, expressed as a percentage:

(i) the numerator of which is:

(A) the sum of the quantity of actual statewide greenhouse gas emissions, measured in short tons CO2e, in each of the preceding years that are after two thousand eighteen, minus

(B) the sum of the quantity of target statewide greenhouse gas emissions, measured in short tons CO2e, in each of the preceding years that are after two thousand eighteen, pursuant to subdivision four of this section; and

(ii) the denominator of which is the sum of the quantity of target statewide greenhouse gas emissions, measured in short tons CO2e, in each of the preceding years that are after two thousand eighteen, pursuant to subdivision four of this section; and

(c) publish the amounts calculated in paragraphs (a) and (b) of this subdivision not later than July first in that year.

3. The authority shall calculate and publish the amount of the fee in current dollars for each year, no later than July first in that year.

4. For the purposes of calculating the five-year environmental integrity metric and the cumulative environmental integrity metric under subdivision two of this section, the authority shall refer to the following statewide greenhouse gas emissions targets:

(a) for the year two thousand twenty-one, eighty-five percent of two thousand eighteen emissions;

(b) for each year after two thousand twenty-one and before two thousand twenty-seven, less than in the preceding year by four percent of the two thousand eighteen emissions; and

(c) for each year after two thousand twenty-six and before two thousand forty-two, less than in the preceding year by three percent of two thousand eighteen emissions; and

(d) for each year after two thousand forty-one, less than in the preceding year by two percent of two thousand eighteen emissions.

§ 3042. Applicable entities. For the purposes of this article, the term "applicable entity" means:

1. for the purposes of any coal sold, used, or entered into the state:

(a) the vendor of such coal at the first point of sale, in cases where the sale of coal occurs in the state; and

(b) the purchaser of such coal, in cases where the sale of coal occurs outside of the state;

2. for the purposes of any petroleum product sold, used, or entered into the state:

(a) the vendor, including a petroleum business as defined by section three hundred of this chapter, of such petroleum product at the first point of sale, in cases where the sale of the petroleum product occurs in the state; and

(b) the purchaser of such petroleum product, in cases where the sale of the petroleum product occurs outside of the state;

3. for the purposes of any natural gas sold, used, or entered into the state:

(a) the vendor (including a natural gas distribution company or wholesale natural gas vendors) of such natural gas at the first point of sale, in cases where the sale of natural gas occurs in the state; and

(b) the purchaser of such natural gas, in cases where the sale of the natural gas occurs outside of the state;

4. for the purposes of any electricity sold, used, or entered into the state:

(a) the vendor (including a local electricity distribution company, a wholesale electricity vendor and all competitive suppliers of electricity to end users) of such electricity at the first point of sale, in cases where the sale of electricity occurs in the state; and

(b) the purchaser of such electricity, in cases where the sale of the electricity occurs outside of the state;

5. for the purposes of any municipal solid waste (or any other feedstocks used for waste-to-energy conversions) sold, used, or entered into the state:

(a) the vendor of such municipal solid waste (or any other feedstocks used for waste-to-energy conversions) at the first point of sale, in cases where the sale of municipal solid waste (or any other feedstocks used for waste-to-energy conversions) occurs in the state; and

(b) the purchaser of such municipal solid waste (or any other feedstocks used for waste-to-energy conversions), in cases where the sale of the municipal solid waste (or any other feedstocks used for waste-to-energy conversions) occurs outside of the state;

6. for the purposes of any biomass sold, used, or entered into the state,

(a) the vendor of such biomass at the first point of sale, in cases where the sale of biomass occurs in the state; and

(b) the purchaser of such biomass, in cases where the sale of the biomass occurs outside of the state; and

7. for the purposes of any fugitive emissions of methane released in the state, the owner of the property that is the source of such fugitive emissions, including stationary sources and mobile sources, and includ-

ing pipeline operators, fuel distributors, transportation companies and other entities.

§ 3043. Calculation of emissions factors. 1. Not later than one year after the effective date of this article, the commissioner of environmental conservation, in collaboration with the authority, shall, for each carbon-based fuel identified in this article and for various sources of electricity consumed in the state, calculate greenhouse gas emissions factors, in carbon dioxide equivalent.

2. Emissions factors associated with combustion or other consumption of the carbon-based fuels identified in this article shall be calculated according to life-cycle analysis methods, which at a minimum shall incorporate:

(a) any greenhouse gases released at the point of combustion or other consumption; and

(b) up-steam fugitive emissions of methane released during the extraction, processing, refining, transport, or distribution of natural gas products and petroleum products before the point of consumption in New York.

3. The commissioner of environmental conservation, in collaboration with the authority, shall calculate, for various sources of electricity consumed in the state, greenhouse gas emissions factors, in carbon dioxide equivalent per kilowatt-hour, associated with the combustion of each carbon-based fuel identified in this article for the purposes of generating electricity. This calculation should take into account the best available information and science regarding power plant heat rates and other operational parameters that may determine efficiency in the conversion of thermal energy to electrical energy. The C02e of each kilowatt-hour of electricity delivered in the state shall be determined by taking the weighted average of the coal, petroleum product, natural gas, municipal solid waste (or any other feedstocks used for waste-to-energy conservations), or biomass portions of the fuel mix and multiplying each of those portions separately by the amount of carbon dioxide equivalent emissions created per kilowatt-hour of electricity produced by each such fuel. The calculation of emissions factors under this subdivision shall take into account all electricity consumed in the state, which shall include any electricity produced within the state and outside of the state.

§ 3044. Exemptions and deductions. 1. The owner of any electric generating facility that is covered by the CO2 budget trading program (6 NYCRR part 242) established by the department of environmental conservation shall be entitled to deduct from the fee imposed by this article an amount equal to the amount it paid to purchase CO2 emission allowance to comply with the CO2 budget trading program; provided, however, that the amount so deducted may be no greater than the total amount of the fee as calculated in this article.

2. Any applicable entity subject to a fee under this article, shall be entitled to deduct from the fee imposed by this article an amount equal to the amount it paid for the same year on account of a federal law or regulation that imposes a direct price (including through cap-and-trade, or a carbon tax or carbon fee mechanisms) on the same greenhouse gas emissions from carbon-based fuels; provided, however, that the amount so deducted may be no greater than the total amount of the fee as calculated in this article.

3. The authority, in partnership with the commissioner of environmental conservation, may exempt certain sources of greenhouse gas emissions found to produce de minimis quantities of such emissions. In order

to exempt sources of greenhouse gas emissions under this subdivision, the authority, in partnership with the commissioner of environmental conservation, shall first promulgate a rule, or rules, outlining the specific requirements for being classified as a de minimis source, including, at a minimum, identifying the quantities of greenhouse gases that would make a source a de minimis source. In promulgating such rule, or rules, the authority shall provide meaningful opportunities for public comment, including from persons living in disadvantaged communities.

§ 3045. Emissions leakage mitigation policy. 1. Not later than one year after the effective date of this article, the authority, in partnership with the commissioners of environmental conservation and labor, shall prepare and approve a scoping plan outlining recommendations for policy measures to reduce emissions leakage associated with the implementation of this article.

(a) The draft scoping plan shall be developed in consultation with the working group and other stakeholders.

(b) The authority shall provide meaningful opportunities for public comment from all persons who will be impacted by the plan, including persons working in energy intensive and trade exposed industries and persons living in disadvantaged communities.

(c) The measures and actions considered in such scoping plan shall at a minimum include:

(i) imposing a border carbon adjustment fee;

(ii) the implementation of a border carbon adjustment for vulnerable industries and companies;

(iii) the implementation of an output-based carbon pollution fee rebate program for vulnerable industries and companies;

(iv) quantitative methods for designating vulnerable industries or companies, such as energy intensive and trade exposed industries; and

(v) policies for mitigating any impacts to consumers and workers caused by the implementation of policies under this section, including through the use of revenues from a possible border carbon adjustment fee for reducing such impacts.

(d) Not later than one year after the effective date of this article, the authority shall submit the final scoping plan to the governor, the speaker of the assembly and the temporary president of the senate and post such plan on its website.

2. Not later than two years after the effective date of this article, the authority, after public workshops and consultation with the working group, representatives of regulated entities, and other stakeholders, shall, after no less than two public hearings, promulgate rules and regulations to implement a policy to reduce emissions leakage associated with the implementation of this article.

(a) The regulations promulgated may include:

(i) a border carbon adjustment fee for vulnerable trade exposed energy intensive industries and companies to reduce emissions;

(ii) an output-based carbon pollution fee and rebate program for vulnerable industries and companies;

(iii) quantitative methods for designating vulnerable industries or companies, such as energy intensive and trade exposed industries; and

(iv) policies for mitigating any impacts to consumers and workers caused by the implementation of policies under this section, including through the use of revenues from a possible border carbon adjustment fee for reducing such impacts.

(b) In promulgating these regulations, the authority shall:

(i) design and implement all regulations in a manner that seeks to be equitable, to minimize costs and to maximize the total benefits to New York state;

(ii) ensure that activities undertaken to comply with the regulations do not disproportionately burden disadvantaged communities; and

(iii) minimize emissions leakage.

3. Any funds collected pursuant to a policy arising from this section shall be appropriated by the authority pursuant to the mandated proportions in section three thousand forty-six of this article.

§ 3046. Creation of funds within the authority. 1. (a) Within ninety days following the effective date of this article, the commissioner, in coordination with the comptroller, shall establish a fund within the authority to be known as the "community just transition fund", consisting of such amounts as may be appropriated or credited to such fund and thirty-three percent of the total amount of fees received under section three thousand forty of this article during such year.

(b) The community just transition fund shall be administered by the authority for the purposes enumerated in this act.

2. (a) Within ninety days following the effective date of this article, the commissioner, in coordination with the comptroller, shall establish a fund within the authority to be known as the "climate jobs and infrastructure fund", consisting of such amounts as may be appropriated or credited to such fund and thirty percent of the total amount of fees received under section three thousand forty of this article during such year.

(b) The climate jobs and infrastructure fund shall be administered by the authority for the purposes enumerated in this act.

3. (a) Within ninety days of the effective date of this article, the commissioner, in coordination with the comptroller, shall establish a fund within the authority to be known as the "low-income and small business and household energy rebate fund", consisting of such amounts as may be appropriated or credited to such fund and thirty percent of the total amount of fees received under section three thousand forty of this article during such year.

(b) The low-income and small business and household energy rebate fund shall be administrated by the authority for the purposes enumerated in this act.

4. (a) Within ninety days of the effective date of this article, the commissioner, in coordination with the comptroller, shall establish a fund within the authority to be known as the "worker and community assurance fund", consisting of such amounts as may be appropriated or credited to such fund as follows:

(i) in the first fiscal year in which any fees under this article are collected, no less than five hundred million dollars shall be transferred to the worker and community assurance fund; and

(ii) seven percent of the total amount of fees received under section three thousand forty during such year.

(b) The worker and community assurance trust shall be administered by the authority for the purposes enumerated in this act.

5. No proceeds received through the implementation of the fee established under this article shall fund government operations of the state, other than to pay for reasonable administrative costs associated with implementing the climate and community investment act.

6. No proceeds received through the implementation of the fee established under this article shall fund police, prisons or related infrastructure.

§ 3047. Reporting. 1. No later than three years following the effective date of this article, and every two years thereafter, the authority, in partnership with the New York comptroller, the commissioner of environmental conservation and the New York state energy research and development authority, shall produce a report on the implementation of this article. Such report shall include but not be limited to:

(a) the total annual revenues associated with the implementation of this article;

(b) the effectiveness of the fee established under section three thousand forty of this article to reduce greenhouse gas emissions statewide, including an analysis of reductions by geographic subdivisions of the state;

(c) the amount of estimated emissions leakage that may be occurring in correlation with the implementation of the fee established under section three thousand forty of this article, the effectiveness of any policies that have been implemented to address emissions leakage, and recommendations for improving policies to mitigate emissions leakage;

(d) an overview of social benefits from the fees and other policies established pursuant to this article, including benefits to the economy, environment, and public health, including the health of women, youth and children;

(e) an overview of the distribution of costs and benefits of the policies promulgated under this article, across different communities and sectors of the state economy;

(f) an overview of compliance costs for regulated entities;

(g) an overview of administrative costs for the authority and other state agencies; and

(h) recommendations for future regulatory and policy action, and, in general, pertaining to measures for reducing greenhouse emissions in the state.

2. Before finalizing the report described in subdivision one of this section, the authority shall ensure that there are meaningful opportunities for public participation, including by:

(a) allowing at least one hundred twenty days for the submission of public comment, following the date of the publication of a draft report; and

(b) holding at least four regional public hearings, including two meetings in the upstate region and two meetings in the downstate region, with emphasis on maximizing participation and accessibility for members of disadvantaged communities.

3. The final report shall be submitted to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly, and shall be posted on the website of the authority.

ARTICLE 43
HOUSEHOLD AND SMALL BUSINESS ENERGY REBATE

Section 3050. Definitions.
3051. Establishment of the household and small business energy rebate program.
3052. Administration by the authority.
3053. Allocation of funds.
3054. Qualifying households.
3055. Rebate amount and report.
3056. Delivery of funds.
3057. Reassessment of allocations.
3058. Small business tax credit.

3059. Public service commission investigation.

§ 3050. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Authority" shall mean the community and climate investment authority.

2. "Commissioner" means the commissioner of taxation and finance.

3. "Department" means the department of taxation and finance.

4. "Eligible low-income household" means, with respect to a given calendar year, any household in New York state whose gross income does not exceed one hundred fifty percent of the poverty line, regardless of citizenship or term of insurance.

5. "Eligible moderate-income household" means, with respect to a given calendar year, any household in New York state whose gross income exceeds one hundred fifty percent of the poverty line, but does not exceed the median household income for the county in which they reside, regardless of citizenship or term of insurance.

6. "Eligible small business" means a business, cooperative, or not-for-profit corporation which is resident in this state, and employs fifty or less persons (including a solo proprietorship), and with respect to businesses, is independently owned and operated and not dominant in its field.

7. "Fund" or "rebate fund" means the household and small business energy rebate fund established under subdivision three of section three thousand forty-six of this chapter.

8. "Poverty line" shall have the same meaning as in section 673(2) of the federal community services block grant act (46 USC section 9902).

9. "Program" means the household and small business energy rebate program established under this article.

10. "Working group" means the climate justice working group created pursuant to section 75-0111 of the environmental conservation law.

§ 3051. Establishment of the household and small business energy rebate program. There is hereby established within the authority, the "household and small business energy rebate program". The purposes of the program include:

1. disbursement of funds from the household and small business energy rebate fund; for the benefit of the most vulnerable populations, to offset the increased cost of living associated with the implementation of the climate pollution fee created pursuant to article forty-two of this chapter and other regulatory measures established as part of the state's climate mitigation efforts; and

2. reducing the already severe energy burden on low- and moderate-income families.

§ 3052. Administration by the authority. Within six months of the effective date of this article, the authority is hereby authorized and directed to establish and operate the program. The authority shall implement the program in consultation with the office of temporary and disability assistance and the departments of health and labor. The authority shall be authorized and directed to: use monies made available for the program pursuant to article forty-two of this chapter to achieve the purposes of the program; and exercise such other powers as are necessary for the proper administration of such program, including issuing rules and regulations consistent with this article.

§ 3053. Allocation of funds. Funds from the household and small business energy rebate fund shall be disbursed under the program to eligible households and small businesses. The authority shall collect and then distribute directly to eligible households the entire amount of funds

dedicated to the rebate fund. Eligible households shall be notified that they are automatically being enrolled based on their tax filing status or receipt of public benefits. The authority, in coordination with the commissioner, the public service commission, the New York state office of temporary and disability assistance, and the department, will make determinations as to which households and small businesses are eligible for the rebate and establish an appeals process within the authority as to such determinations. The authority shall also establish an opportunity for individual residents of the state who are not required to file income taxes to apply for rebates under this article.

§ 3054. Qualifying households. A rebate will be available to eligible low-income households, moderate income households, and additional households, provided that rebates shall only be provided to such additional households upon a determination by the authority that there are adequate funds. Notwithstanding the preceding sentence, the rebate shall be available to a maximum of sixty percent of the households in New York state. Households shall qualify regardless of citizenship. The authority will cooperate with the department and the office of temporary and disability assistance to identify households and place them in the following four household categories:

1. eligible moderate-income households containing New York city residents;

2. eligible low-income households containing New York city residents in which the household income is below one hundred fifty percent of the poverty line or who are receiving any means-tested government assistance aimed at low-income individuals or households;

3. eligible moderate-income households containing residents outside of New York city; and

4. eligible low-income households containing residents outside of New York city with a household income below one hundred fifty percent of the poverty line or receiving any means-tested government assistance programs aimed at low-income individuals or households.

§ 3055. Rebate amount and report. 1. The authority, in consultation with the working group, shall determine the appropriate amount of the rebate, consistent with the standards set forth in this section. Each eligible household will receive a share of the total allocated rebate funds so that:

(a) all eligible households in New York city shall receive the same amount,

(b) all eligible households outside of New York city shall receive the same amount and that amount shall be at least fifty percent more than the rebate amount applicable to New York city households, and

(c) the total amount provided for rebates must not exceed the annual revenue in the rebate fund.

2. The authority shall annually assess and report to the legislature and the governor at least the following information: the number of households in each rebate category in section three thousand fifty-four of this article; the number of households who select each delivery mechanism set forth in section three thousand fifty-six of this article; and how the number of households compare to:

(a) the incremental increase in the cost of living associated with the implementation of the fee established pursuant to article forty-two of this chapter and other regulatory measures established under article forty-two of this chapter;

(b) other estimated increases in the cost of living associated with the transition to a low-carbon economy; and

(c) existing energy burdens.

§ 3056. Delivery of funds. 1. The authority, in partnership with the working group, the department, the public service commission and the office of temporary and disability assistance shall determine appropriate mechanisms for delivering rebates under this article. These departments shall within the bounds of the law share necessary expertise and data. That mechanism shall ensure that:

(a) Eligible moderate-income households in the first and third household categories set forth in section three thousand fifty-four of this article shall receive a direct payment redeemable tax credit.

(b) Eligible low-income households in the second and fourth household categories set forth in section three thousand fifty-four of this article shall receive their rebate through mechanisms that will not constitute income for purposes of any means-tested government assistance programs that they may be receiving. Unless an eligible low-income household opts out of such benefit under this section, the benefit shall be:

(i) a transit voucher for use receiving services through the Metropolitan Transportation Authority, Access-a-Ride, or other public transit service for households in the second household category under section three thousand fifty-four of this article.

(ii) utility assistance or a weatherization grant for the fourth household category under section three thousand fifty-four of this article.

(iii) another form that complies with this subdivision.

2. All qualifying households may opt out of the default option for delivery of the rebate, and can choose to receive their benefit amount in the form of one of the following four options: (a) utility assistance; (b) a weatherization grant; (c) a voucher for use with their local transit authority; (d) a redeemable tax credit; or (e) a direct payment if the authority offers such option.

3. The authority shall make reasonable efforts to deliver funds as frequently as practical, and to distribute a portion of the rebate at least quarterly.

§ 3057. Reassessment of allocations. 1. Beginning in two thousand twenty-one and every five years thereafter, the authority, in coordination with the department, the office of temporary and disability assistance, the public service commission, the New York state energy research and development authority and the department of environmental conservation shall perform an assessment, which shall include, at a minimum, the following information: (a) the state-wide energy burden for small businesses, and households by geography and income; (b) whether such energy burden has stayed level or decreased since the effective date of this section; (c) the uptake of energy efficiency and renewable energy in each income category; and (d) an estimated impact on energy burden or another equivalent estimate of the proportion of household income spent on energy. Based on such information and any additional information that the department determines is appropriate, the department shall determine whether the present rebate amount is appropriate or whether it is appropriate to reduce the rebate benefit amount.

2. Following any assessment under subdivision one of this section where the impact of the fee established is found not to increase household spending, or where the energy burden has fallen, the rebate shall be reduced by at least ten percent and the funds reallocated in equal amounts to the community just transition fund established pursuant to subdivision one of section three thousand forty-six of this chapter and

the climate jobs and infrastructure fund established pursuant to subdivision two of such section.

§ 3058. Small business tax credit. 1. Eligible small businesses shall receive a redeemable tax credit to reduce any incremental increase in the cost of doing business associated with the implementation of the fee established pursuant to article forty-two of this chapter and other regulatory measures established under the climate and community investment act or the transition to a low-carbon economy in New York state.

2. Any eligible small business that incurs energy or fuel costs in the course of its business, shall be allowed a credit, to be computed as provided in subdivision three of this section, against business income for each year that the fee established pursuant to article forty-two of this chapter is collected.

3. The credit authorized by this section shall equal the higher of five hundred dollars a year, or the amount computed for a household rebate.

4. The credit created under this section may be claimed even if no taxes are owed by the eligible small business. Such credit may be used to reduce the tax liability of the credit claimant below zero.

§ 3059. Public service commission investigation. Not later than six months after the effective date of this article, the public service commission shall establish a proceeding to investigate, identify and mitigate any increase in electric or gas rates for qualifying households and eligible small businesses that may be projected to arise under this article and article forty-two of this chapter.

§ 10. Severability. If any word, phrase, clause, sentence, paragraph, section, or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgement shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the word, phrase, clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which such judgement shall have been rendered.

§ 11. If any word, phrase, clause, sentence, paragraph, section, or part of this act shall be adjudged to require the climate and community investments authority created under this act to act outside of their legal powers, such as engaging in the market beyond activities allowed as a market actor, the relevant statutory requirements will be interpreted so that the powers and duties herein are enforced to the extent allowed by law.

§ 12. This act shall take effect on the one hundred eightieth day after it shall have become a law and shall apply to any grants, loans, contracts and financial assistance awarded or renewed on or after such effective date. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such date.