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IN ASSEMBLY

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Introduced by M. of A. SIMON, ABBATE, DAVILA, GLICK -- Multi-Sponsored
by -- M. of A. CAHILL, COLTON, COOK, DICKENS, GOTTFRIED, JEAN-PIERRE,
REYES, SOLAGES, WALKER, WILLIAMS -- read once and referred to the
Committee on Economic Development

AN ACT to amend the New York state urban development corporation act, in
relation to creating the hospital and multiple dwelling energy loan
fund

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

1 Section 1. The legislature hereby finds and declares that the state's
2 high energy costs are considered a significant burden on hospitals and
3 multiple dwellings. Therefore, the legislature seeks to provide funds to
4 reduce high energy costs, via a zero or low interest loan, or loan
5 interest rate reduction program for energy efficiency projects to
6 provide fiscal relief for hospitals and multiple dwellings in the state
7 of New York.

8 § 2. Section 1 of chapter 174 of the laws of 1968, constituting the
9 New York state urban development corporation act, is amended by adding a
10 new section 16-bb to read as follows:

11 § 16-bb. Hospital and multiple dwelling energy loan program. 1. Defi-
12 nitions. For the purpose of this section:

13 (a) "Authority" shall mean the New York state energy research and
14 development authority as defined in section one thousand eight hundred
15 fifty-one of the public authorities law.

16 (b) "Economically distressed areas" shall mean areas as determined by
17 the corporation, meeting criteria indicative of economic distress,
18 including consideration of unemployment rate; rate of employment change;
19 numbers and percentages of low-income persons; per capita income and per
20 capita real property wealth; such other indicators of distress as the
21 corporation shall determine. Economically distressed areas may include

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

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1 designations such as cities, municipalities, block numbering areas, and
2 census tracts.

3 (c) "Loan fund" shall mean the hospital and multiple dwelling energy
4 loan fund established pursuant to this section.

5 (d) "Hospital" shall have the same meaning as provided in subdivision
6 one of section two thousand eight hundred one of the public health law.

7 (e) "Multiple dwelling" shall have the same meaning as provided in
8 subdivision seven of section four of the multiple dwelling law and shall
9 include multiple dwellings located in New York state.

10 2. (a) The corporation, with the assistance of the authority, shall
11 establish a hospital and multiple dwelling energy loan fund to provide
12 zero or low interest loans and loan interest rate reductions to hospi-
13 tals and multiple dwellings in both economically distressed areas and
14 non-economically distressed areas statewide for energy efficiency
15 projects and advanced energy technologies.

16 (b) In order to be eligible to participate in this loan program,
17 hospitals and multiple dwellings in both economically distressed areas
18 and non-economically distressed areas statewide must have an energy
19 audit provided through the authority's energy audit program that makes
20 informed electrical energy decisions and implement energy efficiency
21 strategies. Technologies identified in such audit shall become eligible
22 technologies for which monies for the loan fund may be available.

23 3. (a) The corporation shall, within available appropriations, provide
24 financial assistance from the loan fund to eligible hospitals and multi-
25 ple dwellings in both economically distressed areas and non-economically
26 distressed areas statewide.

27 (b) The corporation is authorized to provide zero or low interest
28 loans from the loan fund for eligible improvements. To be eligible for
29 such loans, a hospital and multiple dwelling in both an economically
30 distressed area and non-economically distressed area statewide shall
31 identify an eligible improvement project and provide necessary documen-
32 tation. Hospitals and multiple dwellings based in economically
33 distressed areas statewide shall receive at least sixty percent of the
34 total dollar amount of loans provided to all hospitals and multiple
35 dwellings in a given year from the hospital and multiple dwelling energy
36 loan fund.

37 (c)(i) The corporation is authorized to provide loan interest rate
38 reductions from the loan fund for eligible improvements. To be eligible
39 for an interest rate reduction, a hospital and multiple dwelling in both
40 an economically distressed area and non-economically distressed area
41 statewide shall:

42 (1) identify an eligible improvement project and provide necessary
43 documentation, and (2) receive a loan commitment from a participating
44 lender, including banks, credit unions, community development financial
45 institutions, and farm credit associations.

46 (ii) The corporation is authorized to buy down the participating lend-
47 er's interest rate by up to four hundred basis points or four percent
48 through the loan fund. Such interest rate reductions shall be available
49 for the lesser of ten years or the life of the loan.

50 (d) Loans provided by the corporation or issued by a participating
51 lender shall not exceed one hundred thousand dollars.

52 4. Energy efficiency improvements eligible for zero or low interest
53 loans or loan interest rate reductions through the loan fund shall
54 include, but not be limited to:

55 (a) Pre-qualified measures that are proven cost effective investments
56 which reduce energy use;

1 (b) Custom measures that pay for themselves in ten years through
2 reduced energy use;

3 (c) Process improvement measures that reduce manufacturing energy use
4 on a cost-per-unit basis; and

5 (d) Renewable technologies that use the sun, wind, water or ground to
6 generate heat or power.

7 5. Applications for assistance pursuant to this section shall be
8 reviewed and evaluated by the corporation in cooperation with the
9 authority pursuant to eligibility requirements and criteria set forth in
10 the rules and regulations promulgated by the corporation.

11 6. The corporation and the authority shall submit an annual written
12 report to the speaker of the assembly and the temporary president of the
13 senate identifying the number of hospitals and multiple dwellings
14 assisted through the loan fund program, and the types of improvements
15 implemented and energy cost savings realized by the hospitals and multi-
16 ple dwellings assisted by this program.

17 § 3. Paragraph (m) of subdivision 1 of section 16-m of section 1 of
18 chapter 174 of the laws of 1968, constituting the New York state urban
19 development corporation act, as added by chapter 467 of the laws of
20 2011, is amended and a new paragraph (o) is added to read as follows:

21 (m) Assistance to businesses that conduct basic, applied or transla-
22 tional research that leads to the development of products that improve
23 human health or agriculture and that require approval by the federal
24 food and drug administration, in order to create or expand facilities,
25 in accordance with good manufacturing practice regulations, that will
26 create or retain more than fifty jobs. For purposes of this paragraph,
27 good manufacturing practice regulations refers to those regulations
28 promulgated by the United States Food and Drug Administration under the
29 authority of the Federal Food, Drug and Cosmetic Act[~~redacted~~];

30 (o) Loans, loan guarantees, interest subsidy grants and direct grants
31 to hospitals and multiple dwellings under section sixteen-bb of this act
32 for energy efficiency projects and advanced energy technologies.

33 § 4. This act shall take effect immediately, provided, however, that
34 the amendments to section 16-m of the New York state urban development
35 corporation act made by section three of this act shall not affect the
36 expiration of such section and shall expire and be deemed repealed ther-
37 ewith.