

STATE OF NEW YORK

9990

IN ASSEMBLY

May 1, 2024

Introduced by M. of A. STIRPE -- read once and referred to the Committee on Energy

AN ACT to amend the public authorities law, the state finance law, the energy law, the executive law, the labor law and the emergency tenant protection act of nineteen seventy-four, in relation to enacting the "bucks for boilers act"

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "bucks for boilers act".

3 § 2. The public authorities law is amended by adding a new section
4 1885 to read as follows:

5 § 1885. Bucks for boilers program. 1. The authority, in consultation
6 with the department of public service, shall establish a program to aid
7 in the transition of all existing housing units' heating and cooling
8 from reliance on combusting oil and gas, to electric heat pumps and
9 other high energy efficiency upgrades, systems and services.

10 2. Using funds made available from the bucks for boilers fund as set
11 forth in section ninety-nine-rr of the state finance law, the authority
12 shall ensure that any building or household existing in a disadvantaged
13 community, as such term is defined by the climate justice working group,
14 or buildings housing formerly-incarcerated individuals, with a priority
15 to buildings owned by low-income homeowners or rented to low-income
16 tenants, shall be eligible for full-cost funding for the procurement and
17 installation of equipment to be compliant with the energy efficiency
18 standards set forth under section 11-104 of the energy law, including
19 the procurement and installation of non-fossil fuel heating and cooling
20 and hot water systems and other high energy efficiency systems, includ-
21 ing electrical panel and wiring upgrades and induction or electric
22 stoves. For purposes of this subdivision, installation shall also
23 include bringing eligible housing into a state of good repair.

24 3. Using funds made available from the bucks for boilers fund as set
25 forth in section ninety-nine-rr of the state finance law, the authority
26 shall create a program to pay up to fifty thousand dollars per unit for

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

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1 any privately owned residential housing for the procurement and instal-
2 lation of equipment to be compliant with the energy efficiency standards
3 set forth under section 11-104 of the energy law, including the procure-
4 ment and installation of non-fossil fuel heating and cooling and hot
5 water systems and other high energy efficiency systems, including elec-
6 trical panel and wiring upgrades and induction or electric stoves, as
7 well as to ensure that such housing is in a state of good repair.

8 4. Using funds made available from the bucks for boilers fund as set
9 forth in section ninety-nine-rr of the state finance law, the authority
10 shall subsidize the procurement and installation of equipment to be
11 compliant with the energy efficiency standards set forth under section
12 11-104 of the energy law, including the procurement and installation of
13 non-fossil fuel heating and cooling and hot water systems and other high
14 energy efficiency systems, for all public housing units throughout the
15 state, as well as to ensure that such housing is in a state of good
16 repair.

17 5. Using funds made available from the bucks for boilers fund as set
18 forth in section ninety-nine-rr of the state finance law, the authority
19 shall establish affordability programs to pay any additional costs of
20 utility bills in order to ensure that no low-to-moderate income house-
21 holds face a higher cost for heating and cooling that may be incurred as
22 a result of conversion to electric heat pumps and/or other high energy
23 efficiency equipment for heating and cooling. For the purposes of this
24 subdivision "low-to-moderate income households" shall mean households
25 with annual incomes at or below eighty percent of the area median income
26 of the county or metro area where they reside. These affordability
27 programs shall also assist households with annual incomes above eighty
28 percent of the area median income of the county or metro area to help
29 defray additional costs but only where funds are available after priori-
30 tization of households with annual incomes at or below eighty percent of
31 the area median income of the county or metro area where they reside,
32 and with prioritization with any such funds or assistance for compar-
33 atively lower-income over higher-income households within the distrib-
34 ution of households over eighty percent of the area median income of the
35 county or metro area where they reside.

36 6. The authority shall include requirements that to be eligible for
37 receiving funds under this program, building owners:

38 (a) are prohibited for a period of five years following the completion
39 of work under this program from rent increases for temporary major capi-
40 tal improvement and individual apartment improvements for buildings
41 undertaking energy efficiency, boiler, furnace, stove replacements,
42 electrical panel, electrical wiring or related work stemming directly
43 from the building's adherence to requirements enacted pursuant to this
44 section; and

45 (b) shall extend the lease of tenants for no less than five years
46 following the completion of work under this program.

47 7. The authority, in consultation with the department of corrections
48 and community supervision, shall include requirements that to be eligi-
49 ble for receiving funds over fifty thousand dollars under this program,
50 all work done in the procurement and installation of non-fossil fuel
51 heating and cooling systems on state-owned properties or in properties
52 that receive subsidies from the state shall, to the greatest extent
53 possible, provide training and hiring of formerly-incarcerated individ-
54 uals.

1 8. No later than December first, two thousand twenty-four, the author-
2 ity shall determine the minimum energy efficiency standards for build-
3 ings.

4 9. The authority shall issue relevant guidance for providing funding
5 under this program. The authority shall make such information available
6 by engaging and paying for large-scale advertising, mailings, door-to-
7 door canvassing, community outreach, programming in schools, and
8 anything else the authority deems necessary and reasonable to ensure the
9 public is fully aware and that a wide understanding that such programs
10 exist, including rights and responsibilities of landlords and tenants,
11 is achieved in the public in all regions and demographics of the state.

12 10. Using funds made available from the bucks for boilers fund as set
13 forth in section ninety-nine-rr of the state finance law, the authority
14 shall administer a program to provide grants, loans or other services,
15 based on standards and guidelines established by the authority, for the
16 costs related to enabling fuel-switching for residences with propane or
17 fuel-oil heating systems to efficient electric heat pumps, including but
18 not limited to, clean energy measures, energy efficiency measures, resi-
19 liency measures, heating and cooling, health and safety, and other
20 related energy improvements and expenses, as well as to ensure such
21 housing is in a state of good repair.

22 § 3. Section 1854 of the public authorities law is amended by adding a
23 new subdivision 27 to read as follows:

24 27. All revenues generated pursuant to regulations or actions taken by
25 the department, the authority or any other state entity, pursuant to
26 section eighteen hundred eighty-five of this title, shall be placed into
27 a segregated authority funding account, established pursuant to section
28 eighteen hundred sixty-a of this title, prior to programmatic or admin-
29 istrative allocation, and shall not be commingled with other authority
30 funds. Within thirty days following receipt of revenues generated pursu-
31 ant to regulations or actions pursuant to section eighteen hundred
32 eighty-five of this title, the authority shall transfer from such segre-
33 gated authority funding account to the bucks for boilers fund estab-
34 lished pursuant to section ninety-nine-rr of the state finance law.

35 § 4. The state finance law is amended by adding a new section 99-rr to
36 read as follows:

37 § 99-rr. Bucks for boilers fund. 1. There is hereby established in the
38 joint custody of the commissioner of taxation and finance and the state
39 comptroller a special fund to be known as the "bucks for boilers fund".

40 2. The bucks for boilers fund shall consist of moneys received by the
41 state pursuant to subdivision twenty-seven of section eighteen hundred
42 fifty-four of the public authorities law, and all other moneys appropri-
43 ated, credited, or transferred thereto from any other fund or source
44 pursuant to law including the annual deposit of four billion dollars by
45 the president of the New York state energy research and development
46 authority. Moneys of the account shall be expended for the purposes of
47 providing financial assistance to residential building owners and
48 renters to convert their existing space or water heating equipment to
49 energy efficient zero-emissions equipment or building systems and energy
50 efficiency and resiliency measures including but not limited to: (i)
51 purposes which are consistent with the scoping plan prepared pursuant to
52 section 75-0103 of the environmental conservation law; (ii) measures
53 which prioritize such conversions and measures in disadvantaged communi-
54 ties; (iii) measures which prioritize residential buildings on delivered
55 fuels such as propane and heating oil; (iv) financial assistance for the
56 cost of upgrading dilapidated housing to a state of good repair; and (v)

administrative and implementation costs, program design, and other associated costs.

3. Moneys in the bucks for boilers fund shall be kept separate from and shall not be commingled with any other moneys in the custody of the comptroller or the commissioner of taxation and finance. Provided, however, that any moneys of the fund not required for immediate use may, at the discretion of the comptroller, in consultation with the director of the division of the budget, be invested by the comptroller in obligations of the United States or of the state. The proceeds of any such investment shall be retained by the fund as assets to be used for purposes of the fund.

§ 5. Subdivision 6 of section 11-104 of the energy law is amended by adding a new paragraph (c) to read as follows:

(c) In addition to paragraphs (a) and (b) of this subdivision, to support the goal of zero on-site greenhouse gas emissions and help achieve the state's clean energy and climate agenda, including but not limited to greenhouse gas reduction requirements set forth within chapter one hundred six of the laws of two thousand nineteen, also known as the New York state climate leadership and community protection act, the code shall prohibit the installation of fossil-fuel equipment and building systems, in any existing building not more than seven stories in height, except for existing commercial or industrial buildings greater than one hundred thousand square feet in conditioned floor area, on or after December thirty-first, two thousand twenty-nine, and the code shall prohibit the installation of fossil-fuel equipment and building systems, in all existing buildings after December thirty-first, two thousand thirty-four.

§ 6. Paragraph (b) of subdivision 7 of section 11-104 of the energy law, as added by section 1 of part RR of chapter 56 of the laws of 2023, is amended to read as follows:

(b) In addition, in effectuating the provisions set forth in ~~[paragraph]~~ paragraphs (b) and (c) of subdivision six of this section the code shall include exemptions for the purposes of allowing the installation and use of fossil-fuel equipment and building systems where such are installed and used:

(i) for generation of emergency back-up power and standby power systems;

(ii) in a manufactured home as defined in subdivision seven of section six hundred one of the executive law; or

(iii) in a building or part of a building that is used as a manufacturing facility, commercial food establishment, laboratory, car wash, laundromat, hospital, other medical facility, critical infrastructure, including but not limited to emergency management facilities, wastewater treatment facilities, and water treatment and pumping facilities, agricultural building, fuel cell system, or crematorium, as such terms are defined by the code council.

§ 7. Paragraphs c and e of subdivision 19 of section 378 of the executive law, as added by section 3 of part RR of chapter 56 of the laws of 2023, are amended and a new paragraph a-1 is added to read as follows:

a-1. To support the goal of zero on-site gas emissions and help achieve the state's clean energy and climate agenda, including but not limited to greenhouse gas reduction requirements set forth within chapter one hundred six of the laws of two thousand nineteen, also known as the New York state climate leadership and community protection act, the uniform code shall prohibit the installation of fossil-fuel equipment and building systems, in any existing building not more than seven

stories in height, except for existing commercial or industrial buildings greater than one hundred thousand square feet in conditioned floor area, on or after December thirty-first, two thousand twenty-nine, and the uniform code shall prohibit the installation of fossil-fuel equipment and building systems, in all existing buildings on or after December thirty-first, two thousand thirty-four.

c. In addition, in effectuating the provisions set forth in ~~[paragraph]~~ paragraphs a and a-1 of this subdivision the code shall include exemptions for the purposes of allowing the installation and use of fossil-fuel equipment and building systems where such systems are installed and used:

(i) for generation of emergency back-up power and standby power systems;

(ii) in a manufactured home as defined in subdivision seven of section six hundred one of ~~[the executive law]~~ this chapter; or

(iii) in a building or part of a building that is used as a manufacturing facility, commercial food establishment, laboratory, car wash, laundromat, hospital, other medical facility, critical infrastructure, including but not limited to emergency management facilities, wastewater treatment facilities, and water treatment and pumping facilities, agricultural building, fuel cell system, or crematorium, as such terms are defined by the code council.

e. Exemptions included in the uniform code pursuant to this subdivision shall be periodically reviewed by the code council to ~~[assure]~~ ensure that they continue to effectuate the purposes of ~~[paragraph]~~ paragraphs a and a-1 of this subdivision and subparagraph three of paragraph b of subdivision two of section three hundred seventy-one of this article to the fullest extent feasible.

§ 8. Section 224-f of the labor law, as added by section 3 of part TT of chapter 56 of the laws of 2023, is amended to read as follows:

§ 224-f. Wage requirements for certain climate risk-related and energy transition projects and bucks for boilers projects. 1. For purposes of this section, a "covered climate risk-related and energy transition project" means a construction project that receives at least one hundred thousand dollars of funds from the New York climate action fund climate investment account established pursuant to section ninety-nine-qq of the state finance law and a "covered bucks for boilers project" means a construction project that receives at least fifty thousand dollars of funds from the bucks for boilers fund established pursuant to section ninety-nine-rr of the state finance law.

2. A covered climate risk-related and energy transition project and a covered bucks for boilers project shall be subject to prevailing wage requirements in accordance with sections two hundred twenty, two hundred twenty-a, two hundred twenty-b, two hundred twenty-i, two hundred twenty-three, and two hundred twenty-four-b of this article, provided that a covered climate risk-related and energy transition project and a covered bucks for boilers project may still otherwise be considered a covered project pursuant to section two hundred twenty or two hundred twenty-four-a of this article if it meets the definition therein.

3. For purposes of this section, a covered climate risk-related and energy transition project and a covered bucks for boilers project shall exclude:

a. Privately owned construction work performed under a pre-hire collective bargaining agreement between an owner or developer and a bona fide building and construction trades labor organization which has established itself, and/or its affiliates, as the collective bargaining

1 representative for all persons who will perform work on such a project,
2 and which provides that only contractors and subcontractors who sign a
3 pre-negotiated agreement with the labor organization can perform work on
4 such a project; or

5 b. Construction work on one- or two-family dwellings where the proper-
6 ty is the owner's primary residence, or construction work performed on
7 property where the owner of the property owns no more than four dwelling
8 units; or

9 c. Construction work performed on a multiple residence and/or ancil-
10 lary amenities or installations that is wholly privately owned in any of
11 the following circumstances:

12 (i) where no less than twenty-five percent of the residential units
13 are affordable and shall be retained subject to an anticipated regulato-
14 ry agreement with a local, state, or federal governmental entity, or a
15 not-for-profit entity with an anticipated formal agreement with a local,
16 state, or federal governmental entity for purposes of providing afforda-
17 ble housing in a given locality or region provided that the period of
18 affordability for a residential unit deemed affordable under the
19 provisions of this paragraph shall be for no less than fifteen years
20 from the date of construction; or

21 (ii) where no less than thirty-five percent of the residential units
22 involves the provision of supportive housing services for vulnerable
23 populations provided that such units are subject to an anticipated regu-
24 latory agreement with a local, state, or federal governmental entity.

25 4. As a condition of receiving funds from the New York climate action
26 fund climate investment account established pursuant to section ninety-
27 nine-qq of the state finance law for a covered climate risk-related and
28 energy transition project or the bucks for boilers fund established
29 pursuant to section ninety-nine-rr of the state finance law for a
30 covered bucks for boiler project, the owner or developer of such covered
31 climate risk-related and energy transition project or covered bucks for
32 boilers project, or a third party acting on such owner's or developer's
33 behalf, shall agree to enter into a labor peace agreement with at least
34 one bona fide labor organization either:

35 a. where such bona fide labor organization is actively representing
36 non-construction employees who will be working within the covered
37 climate risk-related and energy transition project or covered bucks for
38 boilers project once built; or

39 b. upon notice by a bona fide labor organization that is attempting to
40 represent such non-construction employees.

41 5. For purposes of this section "labor peace agreement" means an
42 agreement between an owner and/or developer and labor organization that,
43 at a minimum, protects the state's proprietary interests by prohibiting
44 labor organizations and members from engaging in picketing, work stop-
45 pages, boycotts, and any other economic interference.

46 6. The owner or developer using funds from the New York climate action
47 fund climate investment account established pursuant to section ninety-
48 nine-qq of the state finance law for a covered climate risk-related and
49 energy transition project or the bucks for boilers fund established
50 pursuant to section ninety-nine-rr of the state finance law for a
51 covered bucks for boilers project pursuant to this section shall:

52 a. require the use of apprenticeship agreements as defined by article
53 twenty-three of this chapter; or for industries without apprenticeship
54 programs, require the use of workforce training, preferably in conjunc-
55 tion with a bona fide labor organization; and

b. consider use of registered pre-apprenticeship direct entry programs for the recruitment of local and/or disadvantaged workers.

7. For purposes of this section, the "fiscal officer" shall be deemed to be the commissioner. The enforcement of any covered climate risk-related and energy transition project or covered bucks for boilers project under this section shall be subject to the requirements of sections two hundred twenty, two hundred twenty-a, two hundred twenty-b, two hundred twenty-i, two hundred twenty-three, two hundred twenty-four-b of this article, and section two hundred twenty-seven of this chapter and within the jurisdiction of the fiscal officer; provided, however, nothing contained in this section shall be deemed to construe any covered climate risk-related and energy transition project or covered bucks for boilers project as otherwise being considered public work pursuant to this article.

8. The fiscal officer may issue rules and regulations governing the provisions of this section. Violations of this section shall be grounds for determinations and orders pursuant to section two hundred twenty-b of this article.

9. For any building service work on a covered climate risk-related and energy transition project or covered bucks for boilers project, prevailing wage shall be paid consistent with article nine of this chapter.

10. Any public entity receiving at least five million dollars in funds from the New York climate action fund climate investment account established pursuant to section ninety-nine-qq of the state finance law or the bucks for boilers fund established pursuant to section ninety-nine-rr of the state finance law for a project which involves the construction, reconstruction, alteration, maintenance, moving, demolition, excavation, development or other improvement of any building, structure or land, shall be subject to section two hundred twenty-two of this article.

§ 9. Subdivision (a) of section 10-b of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is amended by adding a new paragraph 14 to read as follows:

14. (i) prohibit temporary major capital improvement increases and individual apartment improvement increases for buildings undertaking energy efficiency, boiler, furnace, stove replacements, electrical panel, electrical wiring or related work pursuant to the bucks for boilers program established pursuant to section eighteen hundred eighty-five of the public authorities law; and

(ii) require the extension of the lease of tenants for no less than five years following the completion of work under such program.

§ 10. This act shall take effect immediately.