

# STATE OF NEW YORK

9099

## IN SENATE

April 22, 2024

Introduced by Sen. RIVERA -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

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

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

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

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

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

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

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

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

48 7. The authority, in consultation with the department of corrections  
49 and community supervision, shall include requirements that to be eligi-  
50 ble for receiving funds over fifty thousand dollars under this program,  
51 all work done in the procurement and installation of non-fossil fuel  
52 heating and cooling systems on state-owned properties or in properties  
53 that receive subsidies from the state shall, to the greatest extent  
54 possible, provide training and hiring of formerly-incarcerated individ-  
55 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)

1 administrative and implementation costs, program design, and other asso-  
2 ciated costs.

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

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

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

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

31 (b) In addition, in effectuating the provisions set forth in [~~para-~~  
32 ~~graph~~] paragraphs (b) and (c) of subdivision six of this section the  
33 code shall include exemptions for the purposes of allowing the installa-  
34 tion and use of fossil-fuel equipment and building systems where such  
35 are installed and used:

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

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

40 (iii) in a building or part of a building that is used as a manufac-  
41 turing facility, commercial food establishment, laboratory, car wash,  
42 laundromat, hospital, other medical facility, critical infrastructure,  
43 including but not limited to emergency management facilities, wastewater  
44 treatment facilities, and water treatment and pumping facilities, agri-  
45 cultural building, fuel cell system, or crematorium, as such terms are  
46 defined by the code council.

47 § 7. Paragraphs c and e of subdivision 19 of section 378 of the execu-  
48 tive law, as added by section 3 of part RR of chapter 56 of the laws of  
49 2023, are amended and a new paragraph a-1 is added to read as follows:

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

1 stories in height, except for existing commercial or industrial build-  
2 ings greater than one hundred thousand square feet in conditioned floor  
3 area, on or after December thirty-first, two thousand twenty-nine, and  
4 the uniform code shall prohibit the installation of fossil-fuel equip-  
5 ment and building systems, in all existing buildings on or after Decem-  
6 ber thirty-first, two thousand thirty-four.

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

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

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

16 (iii) in a building or part of a building that is used as a manufac-  
17 turing facility, commercial food establishment, laboratory, car wash,  
18 laundromat, hospital, other medical facility, critical infrastructure,  
19 including but not limited to emergency management facilities, wastewater  
20 treatment facilities, and water treatment and pumping facilities, agri-  
21 cultural building, fuel cell system, or crematorium, as such terms are  
22 defined by the code council.

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

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

31 § 224-f. Wage requirements for certain climate risk-related and energy  
32 transition projects and bucks for boilers projects. 1. For purposes of  
33 this section, a "covered climate risk-related and energy transition  
34 project" means a construction project that receives at least one hundred  
35 thousand dollars of funds from the New York climate action fund climate  
36 investment account established pursuant to section ninety-nine-qq of the  
37 state finance law and a "covered bucks for boilers project" means a  
38 construction project that receives at least fifty thousand dollars of  
39 funds from the bucks for boilers fund established pursuant to section  
40 ninety-nine-rr of the state finance law.

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

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

53 a. Privately owned construction work performed under a pre-hire  
54 collective bargaining agreement between an owner or developer and a bona  
55 fide building and construction trades labor organization which has  
56 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

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

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

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

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

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

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

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

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

43 § 10. This act shall take effect immediately.