

STATE OF NEW YORK

5404

2025-2026 Regular Sessions

IN ASSEMBLY

February 13, 2025

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

AN ACT to amend the general municipal law, in relation to the municipal sustainable energy loan program

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

1 Section 1. Section 119-ee of the general municipal law, as added by
2 chapter 497 of the laws of 2009, is amended to read as follows:

3 § 119-ee. Legislative findings and declaration. The legislature finds
4 and declares that it is the policy of the state to achieve statewide
5 energy efficiency and renewable energy goals, reduce greenhouse gas
6 emissions and mitigate the effect of global climate change, and advance
7 a clean energy economy; and that to achieve such policy and goals the
8 state must promote the deployment of renewable energy systems [~~and~~],
9 energy efficiency measures, qualifying water improvements, and low
10 carbon intensity building components throughout the state; and that
11 municipalities would fulfill an important public purpose by providing
12 loans to property owners for the installation of renewable energy
13 systems [~~and~~], energy efficiency measures, qualifying water improve-
14 ments, and the use of low carbon intensity building components.

15 § 2. Subdivisions 5, 6, 7 and 8 of section 119-ff of the general
16 municipal law, as amended by chapter 184 of the laws of 2020, are
17 amended to read as follows:

18 5. "Feasibility study" means a written study, conducted by a contrac-
19 tor certified by the authority, or certified by a certifying entity
20 approved by the authority for purposes of this article, for the purpose
21 of determining the feasibility of installing a renewable energy system
22 or qualifying water improvement. A municipal corporation may, by local
23 law, provide for the certification of such contractors based upon crite-
24 ria at least as stringent as the state-wide criteria for certification
25 adopted by the authority for purposes of this article.

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

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1 6. "Low carbon intensity building component improvement" means any
2 permanently affixed improvement to real property, whether as a component
3 of the new construction of a building or as the renovation or retrofit-
4 ting of an existing building, to reduce the carbon or other greenhouse
5 gas emissions of those components or the improved property.

6 7. "Municipal corporation" means a county, town, city or village.

7 8. "Qualifying water improvement" means any improvement to real prop-
8 erty, whether as a component of the new construction of a building or as
9 the renovation and retrofitting of an existing building, to reduce water
10 consumption, promote water conservation and storage, manage stormwater,
11 resist flooding, and mitigate contamination in potable water systems.

12 [~~6-~~] 9. "Real property" means any property, an interest in which is or
13 is eligible to be recorded or registered on municipal land ownership
14 records by the possessor of such interest.

15 [~~7-~~] 10. "Renewable energy system" means an energy generating system
16 for the generation of electric or thermal energy, to be used primarily
17 at such property, except when the owner of real property is a commercial
18 entity, by means of solar thermal, solar photovoltaic, wind, geothermal,
19 anaerobic digester gas-to-electricity systems, fuel cell technologies,
20 or other renewable energy technology approved by the authority not
21 including the combustion or pyrolysis of solid waste.

22 [~~8. "Renewable energy system feasibility study" means a written study,~~
23 ~~conducted by a contractor certified by the authority, or certified by a~~
24 ~~certifying entity approved by the authority for purposes of this arti-~~
25 ~~cle, for the purpose of determining the feasibility of installing a~~
26 ~~renewable energy system. A municipal corporation may, by local law,~~
27 ~~provide for the certification of such contractors based upon criteria at~~
28 ~~least as stringent as the state wide criteria for certification adopted~~
29 ~~by the authority for purposes of this article.]~~

30 § 3. Section 119-gg of the general municipal law, as added by chapter
31 497 of the laws of 2009, subdivisions 1 and 6 as amended by chapter 320
32 of the laws of 2017, is amended to read as follows:

33 § 119-gg. Sustainable energy loan program. 1. The legislative body of
34 any municipal corporation may, by local law, establish a sustainable
35 energy loan program using federal grant assistance or federal credit
36 support or monies from the state of New York or any state authority as
37 defined by section two of the public authorities law available for this
38 purpose.

39 2. Such program may make loans to the owners of real property located
40 within the municipal corporation to finance the installation of renewa-
41 ble energy systems [~~and~~], energy efficiency improvements, qualifying
42 water improvements, low carbon intensity building components, related
43 energy audits and [~~renewable energy system~~] feasibility studies, and the
44 verification of the installation of such systems and improvements. No
45 municipal corporation shall make such a loan to an owner of property
46 that has received a loan from another municipal corporation pursuant to
47 this article.

48 3. Each such local law establishing the sustainable energy loan
49 program shall provide for the criteria for making such loans and the
50 terms and conditions for repayment of such loans. The sustainable energy
51 loan program shall use such lists of cost effective energy efficiency
52 improvements for different building types as are approved by the author-
53 ity.

54 4. The municipal corporation shall verify and report on the installa-
55 tion and performance of renewable energy systems [~~and~~], energy efficien-
56 cy improvements, qualifying water improvements, and low carbon intensity

1 building component improvements financed by the loan program in such
2 form and manner as the authority may establish.

3 5. Every loan made under the sustainable energy loan program shall be
4 repaid over a term not to exceed the [~~weighted average of the useful~~
5 ~~life of such systems and improvements~~] the longest lived system or
6 improvement as determined by the municipal corporation. The municipal
7 corporation shall [~~set~~] approve a fixed rate of interest for the repay-
8 ment of the principal amount of each loan at the time the loan is made.

9 6. a. For loans made to an owner of real property that is a commercial
10 entity, not-for-profit organization, or entity other than an individual,
11 the municipal corporation, governing body or its duly assigned agent
12 shall have the authority to impose requirements on the maximum amount
13 that may be borrowed through such loan, which may consider factors
14 including but not limited to the property value, projected savings,
15 project cost, and existing indebtedness secured by such property.

16 b. For loans made to an owner of real property who is an individual,
17 the principal amount of each such loan, excluding interest, shall not
18 exceed the lesser of ten percent of the appraised real property value or
19 the actual cost of installing the renewable energy system [~~and~~], energy
20 efficiency [~~improvements~~] improvement, qualifying water improvement, or
21 low carbon intensity building component improvement, including the costs
22 of necessary equipment, materials, and labor, the costs of each related
23 energy audit and renewable energy system feasibility study, and the cost
24 of verification of such renewable energy system and energy efficiency
25 improvements.

26 7. No such loan shall be made for energy efficiency improvements
27 unless determined to be appropriate through an energy audit, and no such
28 loan shall be made for a renewable energy system or qualifying water
29 improvement unless determined to be feasible through a [~~renewable energy~~
30 ~~system~~] feasibility study.

31 8. An energy audit may document improvements and related costs that
32 are required for the energy efficiency improvements to proceed and
33 further may document expected energy savings, any expected reductions in
34 greenhouse gas emissions, and any other environmental, economic and
35 public health benefits expected from the installation of the improve-
36 ments, including those enumerated in the scoping plans and related
37 values created pursuant to article seventy-five of the environmental
38 conservation law.

39 9. A feasibility study may document improvements and related costs
40 that are required for the renewable energy system or qualifying water
41 improvements to proceed and further may document expected energy
42 savings, any expected reductions in greenhouse gas emissions, and any
43 other environmental, economic and public health benefits expected from
44 the installation of the improvements, including those enumerated in the
45 scoping plans and related values created pursuant to article seventy-
46 five of the environmental conservation law.

47 10. The loan made under the sustainable energy loan program shall
48 constitute a lien upon the real property benefitted by such loan.

49 [~~9-~~] 11. The municipal corporation may require the loan made under the
50 sustainable energy loan program to be repaid by the property owner
51 through a charge on the real property benefitted by such loan. Such
52 charge shall be on the real property, shall be payable by the property
53 owner regardless of tax-paying or tax-exempt status, and shall be levied
54 and collected at the same time and in [~~the same~~] a manner [~~as~~] consist-
55 ent with the manner generally applied to municipal taxes (and regardless
56 of whether municipal taxes are actually payable for such real property),

1 provided that such charge shall be separately listed on the tax bill,
2 and provided further that in the event such charge should not be paid in
3 a timely manner, no other municipal corporation shall be required to
4 credit or otherwise guarantee the amount of such unpaid charge to the
5 municipal corporation which authorized the loan, notwithstanding any
6 provision of law to the contrary.

7 12. To the extent any such charge is not paid when due (and regardless
8 of the tax payment status for the real property and the satisfaction or
9 non-satisfaction of other municipal taxes), the delinquent charge may be
10 enforced or foreclosed under article thirteen of the real property
11 actions and proceedings law to the extent of any unpaid installment
12 payments. In any event of enforcement, including foreclosure, the
13 balance of the lien shall not accelerate and shall survive judgment. The
14 proceeds received in an action to enforce an unpaid or delinquent charge
15 shall be paid first to outstanding real property taxes, municipal charg-
16 es, or other municipal liens.

17 13. The municipal corporation may assign the enforcement or foreclo-
18 sure of a delinquent charge or charges, in which event the assignee
19 shall have and possess the same powers and rights at law or in equity as
20 the municipal corporation would have had it not been assigned with
21 regard to the precedence and priority of such delinquent charges, the
22 accrual of interest and the fees and expenses of collection. In addi-
23 tion, such assignee shall have the same rights to enforce such delin-
24 quent charge or charges as any private party holding a lien on real
25 property, including, but not limited to, foreclosure and a suit on the
26 debt.

27 § 4. This act shall take effect immediately.