

STATE OF NEW YORK

1335--B

2025-2026 Regular Sessions

IN SENATE

January 9, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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, qualifying
10 resiliency improvements, and low carbon intensity building components
11 throughout the state; and that municipalities would fulfill an important
12 public purpose by providing loans to property owners for the installa-
13 tion of renewable energy systems [~~and~~], energy efficiency measures,
14 qualifying water improvements, qualifying resiliency improvements, and
15 the use of low carbon intensity building components.

16 § 2. Subdivisions 3, 4, 5, 6, 7 and 8 of section 119-ff of the general
17 municipal law, as amended by chapter 184 of the laws of 2020, are
18 amended to read as follows:

19 3. "Energy audit" means a formal evaluation of the energy consumption
20 of a permanent building or structural improvement to real property,
21 conducted by a qualifying contractor [~~certified by the authority, or~~

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

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~~certified by a certifying entity approved by the authority for purposes of this article,~~] for the purpose of identifying appropriate energy efficiency improvements that could be made to or incorporated into the construction of the property. [~~A municipal corporation may, by local law, provide for the certification of such contractors based upon criteria at least as stringent as the state-wide criteria for certification adopted by the authority for purposes of this article.~~]

4. "Energy efficiency improvement" means any improvement to real property, whether as a component of the new construction of a building or as the renovation or retrofitting of an existing building to reduce energy consumption~~[, such as window and door replacement, lighting, caulking, weatherstripping, air sealing, insulation, and heating and cooling system upgrades, and similar improvements, determined to be cost effective pursuant to criteria established by the authority]~~ or greenhouse gas emissions. However, "energy efficiency improvement" shall not include lighting measures or household appliances that are not permanently fixed to real property.

5. "Feasibility study" means a written study, conducted by a qualifying contractor for the purpose of determining the feasibility of installing a renewable energy system, qualifying water improvements, qualifying resiliency improvements or low carbon intensity building component improvements.

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

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

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

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

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

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

§ 3. Section 119-ff of the general municipal law is amended by adding three new subdivisions 11, 12 and 13 to read as follows:

11. "Greenhouse gas emissions" shall have the same meaning as subdivision seven of section 75-0101 of the environmental conservation law.

1 12. "Qualifying contractor" means a contractor that is: (a) certified
2 by the authority, or certified by a certifying entity approved by the
3 authority for purposes of this article, or (b) certified by a municipi-
4 ality pursuant to local law that incorporates criteria at least as
5 stringent as the statewide criteria for certification adopted by the
6 authority, to conduct an energy audit and a feasibility study.

7 13. "Qualifying resiliency improvements" means improvements to real
8 property, a component of the new construction of a building, or the
9 renovation or retrofitting of an existing building, that is designed to
10 enable the building, structure, or occupants of such building or struc-
11 ture to withstand or recover quickly from disruption from the current
12 and future hazards of extreme weather events, including but not limited
13 to floods, high winds, tornados, extreme temperature, heavy rainfall,
14 sea level rise and wildfires, or designed to advance energy storage,
15 microgrids, or alternate vehicle charging infrastructure, or improve
16 indoor air quality. However, "qualifying resiliency improvements" shall
17 not include measures that are not permanently fixed to real property.

18 § 4. Section 119-gg of the general municipal law, as added by chapter
19 497 of the laws of 2009, subdivisions 1 and 6 as amended by chapter 320
20 of the laws of 2017, is amended to read as follows:

21 § 119-gg. Sustainable energy loan program. 1. The legislative body of
22 any municipal corporation may, by local law, establish a sustainable
23 energy loan program using federal grant assistance or federal credit
24 support or monies from the state of New York or any state authority as
25 defined by section two of the public authorities law available for this
26 purpose.

27 2. Such program may make loans to the owners of real property located
28 within the municipal corporation to finance the installation of renewa-
29 ble energy systems [~~and~~], energy efficiency improvements, qualifying
30 water improvements, qualifying resiliency improvements, low carbon
31 intensity building components, related energy audits and [~~renewable~~
32 ~~energy system~~] feasibility studies, and the verification of the instal-
33 lation of such systems and improvements. No municipal corporation shall
34 make such a loan to an owner of property that has received a loan from
35 another municipal corporation pursuant to this article.

36 3. Each such local law establishing the sustainable energy loan
37 program shall provide for the criteria for making such loans and the
38 terms and conditions for repayment of such loans. [~~The sustainable ener-~~
39 ~~gy loan program shall use such lists of cost effective energy efficiency~~
40 ~~improvements for different building types as are approved by the author-~~
41 ~~ity.~~] Each such local law may provide criteria for qualifying contrac-
42 tors that may conduct energy audits or feasibility studies in the muni-
43 cipality.

44 4. The municipal corporation shall verify and report on the installa-
45 tion and performance of renewable energy systems [~~and~~], energy efficien-
46 cy improvements, qualifying water improvements, qualifying resiliency
47 improvements, and low carbon intensity building component improvements
48 financed by the loan program in such form and manner as the authority
49 may establish.

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

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

8 b. For loans made to an owner of real property who is an individual,
9 the principal amount of each such loan, excluding interest, shall not
10 exceed the lesser of ten percent of the appraised [~~real property~~] value
11 of such real property upon completion of the improvements or the [~~actu-~~
12 ~~al~~] cost of installing the renewable energy system [~~and~~], energy effi-
13 ciency improvements, qualifying water improvements, qualifying resiliency
14 improvements, or low carbon intensity building component
15 improvements, including the costs of necessary equipment, materials, and
16 labor, the costs of each related energy audit and [~~renewable energy~~
17 ~~system~~] feasibility study, and the cost of verification of the installa-
18 tion of such renewable energy system [~~and~~], energy efficiency improve-
19 ments, qualifying water improvements, qualifying resiliency improve-
20 ments, and low carbon intensity building component improvements.

21 7. No such loan shall be made for energy efficiency improvements
22 unless determined to be appropriate through an energy audit, and no such
23 loan shall be made for a renewable energy system, qualifying water
24 improvements, qualifying resiliency improvements or low carbon intensity
25 building component improvements unless determined to be feasible through
26 a [~~renewable energy system~~] feasibility study.

27 8. An energy audit may document: (a) improvements and related costs
28 that are required for the energy efficiency improvements to proceed; and
29 (b) expected energy savings, any expected reductions in greenhouse gas
30 emissions, and any other environmental, economic and public health bene-
31 fits expected from the installation of the improvements, including those
32 enumerated in the scoping plans and related values created pursuant to
33 article seventy-five of the environmental conservation law.

34 9. A feasibility study may document: (a) improvements and related
35 costs that are required for the renewable energy system, qualifying
36 water improvements, qualifying resiliency improvements or low carbon
37 intensity building component improvements to proceed; and (b) expected
38 energy savings, any expected reductions in greenhouse gas emissions, and
39 any other environmental, economic and public health benefits expected
40 from the installation of the improvements, including those enumerated in
41 the scoping plans and related values created pursuant to article seven-
42 ty-five of the environmental conservation law.

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

45 [~~9-~~] 11. The municipal corporation may require the loan made under the
46 sustainable energy loan program to be repaid by the property owner
47 through a charge on the real property benefitted by such loan. Such
48 charge shall be on the real property, shall be payable by the property
49 owner regardless of tax-paying or tax-exempt status, and shall be levied
50 and collected at the same time and in [~~the same~~] a manner [~~as~~] consist-
51 ent with the manner generally applied to municipal taxes[~~7~~]; provided
52 that in a city having a population of one million or more, such charge
53 shall be on the real property, shall be payable by the property owner
54 regardless of tax-paying or tax-exempt status, and shall be levied,
55 collected and enforced at the same time and in the same manner as munic-
56 ipal taxes; and provided, further, that: (a) such charge shall be sepa-

1 rately listed on the tax bill[7]; and [~~provided further that~~] (b) in the
2 event such charge should not be paid in a timely manner, no other munic-
3 ipal corporation shall be required to credit or otherwise guarantee the
4 amount of such unpaid charge to the municipal corporation which author-
5 ized the loan, notwithstanding any provision of law to the contrary.

6 12. Except in a city with a population of one million or more:

7 (a) 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 eleven of the real property tax law
11 to the extent of any unpaid installment payments. In any event of
12 enforcement, including foreclosure, the balance of the lien shall not
13 accelerate and shall survive judgment. The proceeds received in an
14 action to enforce an unpaid or delinquent charge shall be paid first to
15 outstanding real property taxes, municipal charges, or other municipal
16 liens.

17 (b) 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 § 5. This act shall take effect immediately.