STATE OF NEW YORK

734

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sen. MAY -- 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 and the state finance law, in relation to establishing an energy project revolving loan program and energy project revolving loan fund

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

Section 1. The public authorities law is amended by adding a new section 1018 to read as follows:

§ 1018. Energy project revolving loan program. 1. For the purposes of this section, the following terms shall have the following meanings:

(a) "Program" means the energy project revolving loan program established pursuant to this section.

(b) "Eligible energy project" means a zero-emission energy generation project.

(c) "Energy producing entity" means a public entity, not-for-profit entity, or utility, proposing a zero-emission energy generation project. "Energy producing entity" shall include, but not be limited to, the power authority of the state of New York.

(d) "Project labor agreement" means a pre-hire collective bargaining agreement between the authority, or a third party on behalf of the authority, and a bona fide building and construction trade labor organization establishing the labor organization as the collective bargaining representative for all persons who will perform work on a public work project, and which provides that only contractors and subcontractors who sign a pre-negotiated agreement with the labor organization can perform project work.

2. The authority, in collaboration with the Green Bank, a division of the New York state energy research and development authority, is hereby

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

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authorized and directed to establish an energy project revolving loan program to provide zero-percent interest or low-percent interest loans, in accordance with subdivision four of this section, to energy producing entities to finance eligible energy projects. Notwithstanding the provisions of any law to the contrary, state financial assistance in the form of a loan may be provided for costs of eligible projects for capital costs related to such projects.

3. The authority shall issue a competitive request for proposals from energy producing entities to receive loans under the program for eligible energy projects. The authority shall make a determination as to the energy producing entities to be awarded state financial assistance under this section, and the amount of such financial assistance. In making such determinations, the authority shall conduct a cost-benefit analysis, comparing the potential occurrence of such project against the baseline of such project not occurring, to determine the overall benefits of such proposed energy project to the state and to ratepayers. An eligible energy project shall be proven to be beneficial to the state and to ratepayers in order for financial assistance to be awarded for such project. The authority shall also consider the probability of completion of such eligible energy project in making such determinations, in order to ensure a high probability of completion of eligible energy projects for which financial assistance is awarded.

4. Financial assistance awarded under subdivision three of this section shall be provided from the energy project revolving loan fund established under section ninety-nine-ss of the state finance law. Such financial assistance shall be awarded in the form of a loan, with a zero-interest or low-interest rate, to be determined by the agency. In determining such interest rates and loan structures, the authority shall have the goal of covering all costs related to the operation of the program, without seeking to maximize additional profits.

5. An energy producing entity awarded a loan under this section shall return the full amount of such loan and any interest due thereupon to the program upon completion of the eligible energy project for which such loan was awarded. An energy producing entity shall obtain permanent financing for an eligible energy project from a source other than the program for any remaining debt no later than five years after initially receiving a loan under this section. Funds received by the energy producing entity from the program shall be returned to the energy project revolving loan fund established under section ninety-nine-ss of the state finance law.

6. All eligible energy projects subject to this section shall be deemed public work and subject to and performed in accordance with articles eight and nine of the labor law. Each contract for such eligible energy project shall contain a provision that such projects may only be undertaken pursuant to a project labor agreement. All contractors and subcontractors associated with such work shall be required to utilize apprenticeship agreements as defined by article twenty-three of the labor law.

§ 2. The state finance law is amended by adding a new section 99-ss to read as follows:

§ 99-ss. Energy project revolving loan fund. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of taxation and finance a special fund to be known as the "energy project revolving loan fund".

2. The energy project revolving loan fund shall consist of all monies appropriated, credited, or transferred thereto from the general fund or

any other source pursuant to law, including the repayment of loans provided under section one thousand eighteen of the public authorities law.

3. Moneys of the account, when allocated, shall be available to the chief executive officer of the power authority of the state of New York to make loans pursuant to section one thousand eighteen of the public authorities law.

§ 3. This act shall take effect on the ninetieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.