STATE OF NEW YORK

1266

2025-2026 Regular Sessions

IN ASSEMBLY

January 9, 2025

Introduced by M. of A. SIMON, DAVILA, GLICK -- Multi-Sponsored by -- M. of A. COOK, REYES, WALKER, WILLIAMS -- read once and referred to the Committee on Economic Development

AN ACT to amend the New York state urban development corporation act, in relation to creating the hospital and multiple dwelling energy loan fund

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

Section 1. The legislature hereby finds and declares that the state's high energy costs are considered a significant burden on hospitals and multiple dwellings. Therefore, the legislature seeks to provide funds to reduce high energy costs, via a zero or low interest loan, or loan interest rate reduction program for energy efficiency projects to provide fiscal relief for hospitals and multiple dwellings in the state of New York.

§ 2. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new section 16-bb to read as follows:

§ 16-bb. Hospital and multiple dwelling energy loan program. 1. Definitions. For the purpose of this section:

(a) "Authority" shall mean the New York state energy research and development authority as defined in section one thousand eight hundred fifty-one of the public authorities law.

(b) "Economically distressed areas" shall mean areas as determined by the corporation, meeting criteria indicative of economic distress, including consideration of unemployment rate; rate of employment change; numbers and percentages of low-income persons; per capita income and per capita real property wealth; such other indicators of distress as the corporation shall determine. Economically distressed areas may include designations such as cities, municipalities, block numbering areas, and census tracts.

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

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(c) "Loan fund" shall mean the hospital and multiple dwelling energy loan fund established pursuant to this section.

(d) "Hospital" shall have the same meaning as provided in subdivision one of section two thousand eight hundred one of the public health law.

(e) "Multiple dwelling" shall have the same meaning as provided in subdivision seven of section four of the multiple dwelling law and shall include multiple dwellings located in New York state.

2. (a) The corporation, with the assistance of the authority, shall establish a hospital and multiple dwelling energy loan fund to provide zero or low interest loans and loan interest rate reductions to hospitals and multiple dwellings in both economically distressed areas and non-economically distressed areas statewide for energy efficiency projects and advanced energy technologies.

(b) In order to be eligible to participate in this loan program, hospitals and multiple dwellings in both economically distressed areas and non-economically distressed areas statewide must have an energy audit provided through the authority's energy audit program that makes informed electrical energy decisions and implement energy efficiency strategies. Technologies identified in such audit shall become eligible technologies for which monies for the loan fund may be available.

3. (a) The corporation shall, within available appropriations, provide financial assistance from the loan fund to eligible hospitals and multiple dwellings in both economically distressed areas and non-economically distressed areas statewide.

(b) The corporation is authorized to provide zero or low interest loans from the loan fund for eligible improvements. To be eligible for such loans, a hospital and multiple dwelling in both an economically distressed area and non-economically distressed area statewide shall identify an eligible improvement project and provide necessary documentation. Hospitals and multiple dwellings based in economically distressed areas statewide shall receive at least sixty percent of the total dollar amount of loans provided to all hospitals and multiple dwellings in a given year from the hospital and multiple dwelling energy loan fund.

(c)(i) The corporation is authorized to provide loan interest rate reductions from the loan fund for eligible improvements. To be eligible for an interest rate reduction, a hospital and multiple dwelling in both an economically distressed area and non-economically distressed area statewide shall:

(1) identify an eligible improvement project and provide necessary documentation, and (2) receive a loan commitment from a participating lender, including banks, credit unions, community development financial institutions, and farm credit associations.

(ii) The corporation is authorized to buy down the participating lender's interest rate by up to four hundred basis points or four percent through the loan fund. Such interest rate reductions shall be available for the lesser of ten years or the life of the loan.

(d) Loans provided by the corporation or issued by a participating lender shall not exceed one hundred thousand dollars.

4. Energy efficiency improvements eligible for zero or low interest loans or loan interest rate reductions through the loan fund shall include, but not be limited to:

(a) Pre-qualified measures that are proven cost effective investments which reduce energy use;

(b) Custom measures that pay for themselves in ten years through reduced energy use;

(c) Process improvement measures that reduce manufacturing energy use on a cost-per-unit basis; and

(d) Renewable technologies that use the sun, wind, water or ground to generate heat or power.

5. Applications for assistance pursuant to this section shall be reviewed and evaluated by the corporation in cooperation with the authority pursuant to eligibility requirements and criteria set forth in the rules and regulations promulgated by the corporation.

6. The corporation and the authority shall submit an annual written report to the speaker of the assembly and the temporary president of the senate identifying the number of hospitals and multiple dwellings assisted through the loan fund program, and the types of improvements implemented and energy cost savings realized by the hospitals and multiple dwellings assisted by this program.

§ 3. Paragraph (m) of subdivision 1 of section 16-m of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as added by chapter 467 of the laws of 2011, is amended and a new paragraph (p) is added to read as follows:

(m) Assistance to businesses that conduct basic, applied or translational research that leads to the development of products that improve human health or agriculture and that require approval by the federal food and drug administration, in order to create or expand facilities, in accordance with good manufacturing practice regulations, that will create or retain more than fifty jobs. For purposes of this paragraph, good manufacturing practice regulations refers to those regulations promulgated by the United States Food and Drug Administration under the authority of the Federal Food, Drug and Cosmetic Act[.];

(p) Loans, loan guarantees, interest subsidy grants and direct grants to hospitals and multiple dwellings under section sixteen-bb of this act for energy efficiency projects and advanced energy technologies.

§ 4. This act shall take effect immediately, provided, however, that the amendments to section 16-m of the New York state urban development corporation act made by section three of this act shall not affect the expiration of such section and shall expire and be deemed repealed therewith.