

STATE OF NEW YORK

5404--A

2025-2026 Regular Sessions

IN ASSEMBLY

February 13, 2025

Introduced by M. of A. STERN -- read once and referred to the Committee on Energy -- 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~~
22 ~~certified by a certifying entity approved by the authority for purposes~~
23 ~~of this article,~~] for the purpose of identifying appropriate energy
24 efficiency improvements that could be made to or incorporated into the

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

LBD02166-02-5

1 construction of the property. [~~A municipal corporation may, by local~~
2 ~~law, provide for the certification of such contractors based upon crite-~~
3 ~~ria at least as stringent as the state wide criteria for certification~~
4 ~~adopted by the authority for purposes of this article.~~]

5 4. "Energy efficiency improvement" means any improvement to real prop-
6 erty, whether as a component of the new construction of a building or as
7 the renovation or retrofitting of an existing building to reduce energy
8 consumption[~~, such as window and door replacement, lighting, caulking,~~
9 ~~weatherstripping, air sealing, insulation, and heating and cooling~~
10 ~~system upgrades, and similar improvements, determined to be cost-effec-~~
11 ~~tive pursuant to criteria established by the authority] or greenhouse~~
12 gas emissions. However, "energy efficiency improvement" shall not
13 include lighting measures or household appliances that are not perma-
14 nently fixed to real property.

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

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

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

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

31 [~~6-~~ 9. "Real property" means any property, an interest in which is or
32 is eligible to be recorded or registered on municipal land ownership
33 records by the possessor of such interest.

34 [~~7-~~ 10. "Renewable energy system" means an energy generating system
35 for the generation of electric or thermal energy, to be used primarily
36 at such property, except when the owner of real property is a commercial
37 entity, by means of solar thermal, solar photovoltaic, wind, geothermal,
38 anaerobic digester gas-to-electricity systems, fuel cell technologies,
39 or other renewable energy technology approved by the authority not
40 including the combustion or pyrolysis of solid waste.

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

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

51 11. "Greenhouse gas emissions" means the emission of carbon dioxide,
52 methane, nitrous oxide, and fluorinated gases.

53 12. "Qualifying contractor" means a contractor that is: (a) certified
54 by the authority, or certified by a certifying entity approved by the
55 authority for purposes of this article, or (b) certified by a munici-
56 pality pursuant to local law that incorporates criteria at least as

1 stringent as the statewide criteria for certification adopted by the
2 authority, to conduct an energy audit and a feasibility study.

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

14 § 4. Section 119-gg of the general municipal law, as added by chapter
15 497 of the laws of 2009, subdivisions 1 and 6 as amended by chapter 320
16 of the laws of 2017, is amended to read as follows:

17 § 119-gg. Sustainable energy loan program. 1. The legislative body of
18 any municipal corporation may, by local law, establish a sustainable
19 energy loan program using federal grant assistance or federal credit
20 support or monies from the state of New York or any state authority as
21 defined by section two of the public authorities law available for this
22 purpose.

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

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

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

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

52 6. a. For loans made to an owner of real property that is a commercial
53 entity, not-for-profit organization, or entity other than an individual,
54 the municipal corporation, governing body or its duly assigned agent
55 shall have the authority to impose requirements on the maximum amount
56 that may be borrowed through such loan, which may consider factors

1 including but not limited to the property value, projected savings,
2 project cost, and existing indebtedness secured by such property.

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

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

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

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

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

40 ~~[9-]~~ 11. The municipal corporation may require the loan made under the
41 sustainable energy loan program to be repaid by the property owner
42 through a charge on the real property benefitted by such loan. Such
43 charge shall be on the real property, shall be payable by the property
44 owner regardless of tax-paying or tax-exempt status, and shall be levied
45 and collected at the same time and in ~~[the same]~~ a manner ~~[as]~~ consist-
46 ent with the manner generally applied to municipal taxes~~[,]~~; provided
47 that in a city having a population of one million or more, such charge
48 shall be on the real property, shall be payable by the property owner
49 regardless of tax-paying or tax-exempt status, and shall be levied,
50 collected and enforced at the same time and in the same manner as munic-
51 ipal taxes; and provided, further, that: (a) such charge shall be sepa-
52 rately listed on the tax bill[,]; and ~~[provided further that]~~ (b) in the
53 event such charge should not be paid in a timely manner, no other munic-
54 ipal corporation shall be required to credit or otherwise guarantee the
55 amount of such unpaid charge to the municipal corporation which author-
56 ized the loan, notwithstanding any provision of law to the contrary.

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

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

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

22 § 5. This act shall take effect immediately.