§ 56-0609. Clean air for schools projects.

1. Of the monies received by the state from the sale of bonds pursuant to the Clean Water/Clean Air Bond Act of 1996, one hundred twenty-five million dollars ($125,000,000) shall be available for disbursements for clean air for schools projects.

The power authority is authorized to undertake clean air for schools projects for elementary, middle and secondary schools. The power authority may undertake such projects in cooperation with local gas and electric corporations and/or energy service companies.

For the purposes of this section, "clean air for schools projects" shall mean projects to improve air quality by schools including, but not limited to, projects that replace coal-fired furnaces and heating systems with furnaces and systems fired by oil or gas.

2. Any school district may make an application to the power authority for state assistance payments from funds made available under this article toward the costs of clean air for schools projects.

a. The power authority shall review such applications and may approve, deny, or recommend modifications thereto, consistent with applicable law and consistent with criteria, standards, or rules and regulations, as the power authority may establish, relative to such projects. In the event that an application is denied, the power authority shall provide, in writing, reasons for the denial to the applicant.

b. In reviewing such applications, the power authority shall give due consideration to the following criteria:

(i) the extent to which the project provides the greatest improvement in air quality both within the school and in the surrounding neighborhood;

(ii) the age of the system being replaced; and

(iii) the potential for energy cost savings from efficiency improvements.

c. Upon approval of an application, the power authority may enter into a contract with the school district to undertake a clean air for schools project.

3. Notwithstanding any provision of law to the contrary, the comptroller is authorized and directed to release monies constituting state assistance payments, in amounts set forth in a schedule approved by the director of the budget, to the power authority for the purposes authorized by this section. Any monies constituting state assistance payments made available to the power authority for the purposes specified by this section shall not be subject to the requirements of section one thousand thirteen of the public authorities law.