

# New York's Climate Act Implementation



## What are New York's Climate Act goals?

New York's 2019 Climate Leadership and Community Protection Act (Climate Act), one of the most ambitious laws to address climate change in the country, is designed to achieve economy-wide carbon neutrality and works alongside other State efforts to reduce the financial impact and increase the quality of life for New Yorkers — with a focus on affordability, climate justice, and grid reliability. The Climate Act established a Climate Action Council that was responsible for developing the Scoping Plan that provides a roadmap to meeting the law's requirements, including **greenhouse gas (GHG) reductions of 40% by 2030 and 85% from 1990 levels by 2050, 100% emissions-free electricity sector by 2040, and 70% renewable energy by 2030.**

## Is there a strategy to make the clean energy transition more affordable?

Governor Hochul's priority to create an affordable, equitable, and effective Cap-and-Invest Program was reflected in the FY 2023–24 State Budget as it created the financial foundation required to support the program. A Cap-and-Invest Program was endorsed by the Climate Action Council as the most environmentally effective and economically feasible way to reach the Climate Act's ambitious climate requirements while limiting potential costs to New Yorkers.

Additionally, the federal Inflation Reduction Act (IRA) will reduce costs to New York to meet the requirements of the Climate Act by approximately \$70 billion through 2050. The IRA is expected to provide unprecedented funding to reduce consumer energy costs, slash carbon emissions and pollution, ensure energy security and resilience, increase energy innovation and domestic manufacturing, and advance environmental justice.

## Where will the money go?

Through the Cap-and-Invest Program, a Consumer Climate Action Account will be established to ensure that one-third of future proceeds are provided to New Yorkers. A new Climate Investment Account will also be created, directing two-thirds of future proceeds to support the transition to a less carbon intensive economy. This account will support clean energy programs and policies, emission reduction measures, and focus on disadvantaged communities, accompanied by strong labor standards to ensure the creation of high-quality jobs.

## What benefits can New Yorkers expect from the Climate Act implementation?

The Climate Act is driving transformative changes and investments across New York State. These efforts will reduce GHG emissions, improve air and water quality, support energy-efficient and comfortable homes and businesses, provide clean and reliable electric power, foster the use of efficient and reliable electric vehicles, decrease health issues like asthma or other respiratory illnesses, ensure climate justice, and spur significant job growth, with union labor as the backbone of the State's clean energy economy.



## Will the clean energy transition be affordable?

Governor Hochul is committed to ensuring the transition away from fossil fuels will be affordable for all, particularly low- to moderate-income New Yorkers and the FY 2023–24 State Budget includes \$400 million to provide the following support:

- \$200 million will provide relief to New Yorkers who are experiencing high electric bills. The Department of Public Service will provide a monthly discount to more than 800,000 electric utility customers who are making less than the State median income and have not been eligible for the State’s utility discount program.
- \$200 million will be allocated for NYSERDA’s EmPower+ home retrofits program, which will help 20,000 low-income families retrofit their homes by adding insulation, installing energy efficient appliances, and switching to clean energy.

## How is New York moving forward with building decarbonization?

New York is the first state in the nation to enact comprehensive legislation for constructing modern zero-emission new homes and buildings. Zero-emission construction in new buildings seven stories or lower, except large commercial and industrial buildings, will begin on December 31, 2025, and all other new buildings as of December 31, 2028 — with some exceptions.

## Highlights of Scoping Plan Recommendations

### Buildings

As New York’s highest emitting sector, buildings are responsible for around one-third of all greenhouse gas emissions statewide. As recommended by the Climate Action Council in the State’s Scoping Plan, by 2050, 85% of homes and commercial building space statewide should be electrified with energy-efficient heat pumps and thermal energy networks — ensuring they are energy efficient, comfortable, affordable, and resilient.

### Transportation

New York’s transportation sector accounted for approximately 28% of New York’s greenhouse gas emissions in 2019. By advancing investments in Zero-Emission Vehicles, electric transportation infrastructure, and public transport with walkable neighborhoods, the Scoping Plan recommendations will help to ensure that the State is on track for a zero-emission transportation system by 2050. The plan supports rural and historically disadvantaged communities that may face barriers to adoption, ensuring that cost and availability do not prevent communities from benefitting from green technology.

### Renewable Energy Production

The electricity sector comprised 13% of total New York State greenhouse gas emissions in 2019 — the result of burning fossil fuels, such as natural gas and oil, to produce electricity. The Scoping Plan recommends the rapid development of clean energy alternatives to reduce reliance on fossil fuel-based energy production and enhance energy grid infrastructure to ensure reliability and resilience.

### Agriculture

New York’s agricultural emissions represented approximately 6% of statewide greenhouse gas emissions in 2019, largely from livestock farming and soil management practices. Under the Scoping Plan recommendations, the agriculture and forestry sectors will not only reduce emissions through improving livestock management strategies and soil health, but also by increasing carbon capture through reforestation efforts, protecting existing forests and farmland and managing them sustainably, and promoting climate-focused industries and technologies.

### Climate Justice

Climate change affects all New Yorkers, but historically marginalized communities face the greatest risk for climate change impacts including health and financial burdens. To ensure all New Yorkers benefit, the Scoping Plan puts forth recommendations to ensure that the State’s transition to a low-carbon, clean energy economy addresses health, environmental, and energy burdens that disproportionately impact [disadvantaged communities](#).

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