Carbon Direct

2023–2024 New York State Legislative Session

Summary and commentary on new laws addressing climate change



Notable climate laws from the 2023–2024 New York State legislative session

During the 2023–2024 session of the New York State Legislature, several new bills addressing climate change were introduced, with some signed into law and others failing to gain sufficient support. Below is a brief overview of this legislation with commentary on implications for climate stakeholders.

Bills passed by the legislature

Senate Bill S2129B Climate Change Superfund Act

Summary: This bill establishes a cost recovery program for climate change adaptation to, among other things, secure compensatory payments from responsible parties. These payments are meant to provide a source of revenue for adaptive infrastructure projects within New York. The bill aims to hold the fossil fuel industry accountable for climate damages by creating a 25-year dedicated fund that will raise $3 billion annually.

Outcome: The bill has passed both chambers of the legislature. As of August 2024, it is pending delivery to Governor Hochul. The legislature has until December 31, 2024 to send a bill to the governor. Once it is on the governor's desk, she will have 10 days to either sign or veto the bill. If the governor fails to act, this has the same effect as a veto (also known as a"pocket veto"). This bill is not expected to be sent to the governor until sometime in December 2024.

Commentary: The Climate Change Superfund Act represents a significant legislative effort to address the financial burdens of adapting to climate change and to hold the fossil fuel industry accountable. By establishing a dedicated fund to raise $3 billion per year for the next quarter century, the bill ensures that those who have contributed the most to climate change bear some responsibility for its impacts. This approach provides a substantial financial resource for adaptive infrastructure projects. It also contributes to the trend set by Vermont when it became the first state to enact a "Climate Superfund Act" in May 2024.

Senate Bill S2956A Clean Energy Outreach and Community Planning Program

Summary: This bill authorizes the New York State Energy Research and Development Authority (NYSERDA) to develop a clean energy outreach and community planning program to provide information, resources, and technical assistance in support of the siting and acceptance of renewable energy facilities.

Outcome: This bill was signed into law by Governor Hochul on December 22, 2023.

Commentary: Senate Bill S2956A represents a strategic effort to bridge the gap between renewable energy development and community acceptance. By authorizing NYSERDA to lead outreach and planning initiatives, the law addresses common barriers to renewable energy projects, such as public resistance and lack of information. By fostering community engagement and support for renewable energy projects, the law seeks to accelerate New York's transition to clean energy, aligning with state goals for sustainability and reducing carbon emissions.

Senate Bill S7081 Agrivoltaics Research Program

Summary: This bill establishes an agrivoltaics research program to develop innovative, science-based solutions to facilitate the co-location of crops and photovoltaics while promoting the biodiversity of endemic flora and fauna. The program will be run by Cornell University's College of Agriculture and Life Sciences.

Outcome: This bill was signed into law by Governor Hochul on December 8, 2023.

Commentary: Senate Bill S7081 aims to explore innovative solutions for integrating solar panels with agricultural lands, promoting both sustainable crop production and clean energy generation. This law positions New York as a leader in agrivoltaics, offering a model for other regions to balance renewable energy development with agricultural productivity and biodiversity.

Senate Bill S2985 Housing Affordability, Resiliency, and Energy Efficiency Investment Act

Summary: This bill authorizes an agency to make, or contract to make, grants or loans to the owner of any property that is part of an urban development action area project

for the purpose of, among other things, “climate resiliency improvements” in existing and new affordable housing.

Outcome: This bill was signed into law by Governor Hochul on October 23, 2023.

Commentary: Senate Bill S2985 represents a comprehensive approach to enhancing affordable housing in New York. By authorizing grants and loans for climate resiliency improvements in urban development projects, the bill addresses both housing affordability and environmental sustainability. This legislation modernizes financing mechanisms, aligning them with the state’s climate goals and the state’s landmark climate law, the Climate Leadership and Community Protection Act.

Assembly Bill A6949 Geothermal Borehole Exemption

Summary: This bill exempts certain geothermal boreholes at depths beyond 500 feet from certain requirements in order to lessen the burden of deploying geothermal energy. Certain regulations in New York subjected geothermal energy boreholes to the same regulatory scheme as extractive wells used to produce oil and gas. With respect to wells drilled deeper than 500 feet below the earth’s surface for the purpose of conducting stratigraphic tests, finding or producing hot water or steam, or injecting fluids to recover heat from the surrounding geologic materials (not including closed-loop boreholes installed for the purpose of facilitating a geothermal heating or cooling system or for the disposal of brines) this bill provides that the Department of Environmental Conservation shall have the power to take certain actions.

Outcome: The bill was signed into law by Governor Hochul on September 21, 2023.

Commentary: Assembly Bill A6949 marks a significant advancement in New York’s renewable energy landscape. By exempting certain geothermal boreholes beyond 500 feet from outdated regulatory requirements, the bill facilitates deeper geothermal drilling. Such drilling would previously have been subjected to the same regulations as drilling for oil and gas wells. This legislative change removes regulatory barriers, making geothermal systems more accessible and economically viable for residential and commercial use. It supports New York’s climate goals by promoting clean energy alternatives and is expected to boost the installation of geothermal heat pumps, contributing to the state’s target of electrifying two million homes by 2030.

Assembly Bill A626 Flood Plain Standards of Construction

Summary: This bill provides standards for the construction of all new buildings and for construction or renovation of existing buildings that undergo substantial improvement, as defined by the State Fire Prevention and Building Code Council. It applies to buildings that are located wholly or partially in an area designated as a Special Flood Hazard Area or Moderate Risk Flood Hazard Area on the applicable Federal Emergency Management Agency (FEMA) flood insurance rate map, as amended from time to time.

Outcome: This bill was signed into law by Governor Hochul on March 3, 2023.

Commentary: Assembly Bill A626 represents a proactive step toward enhancing flood resilience in New York. By establishing construction standards for buildings in designated flood-prone areas, the bill addresses the growing risks associated with climate change and extreme weather events. It underscores the importance of integrating flood risk management into urban planning as extreme weather due to climate change becomes an increasing risk. By ensuring that buildings are constructed or renovated to withstand potential flooding, the law aims to protect lives, reduce property damage, and minimize economic losses.



Aerial photo of Town of Hancock, Delaware County, NY. Source: Adobe Stock.

Failed legislation

The bills listed below received favorable votes but died at the end of the legislative session in June 2024 before they could receive final votes in the Senate or Assembly and be signed into law.

Senate Bill S897C The Climate Corporate Data Accountability Act

Summary: This bill requires certain business entities within the state to annually disclose their scope 1, scope 2, and scope 3 emissions. It also establishes the climate accountability and emissions disclosure fund.

Outcome: This bill received a favorable vote of 7-0 in the Senate Environmental Conservation Committee, but never received a vote in the Senate Finance Committee and died at the end of the legislative session in June 2024.

Commentary: Senate Bill S897C aimed to increase transparency by requiring businesses in New York to disclose their greenhouse gas emissions, including their scope 1, scope 2, and scope 3 emissions. Modeled closely after California's SB 253, this bill intended to establish a Climate Accountability and Emissions Disclosure Fund to support its implementation. Its failure highlights the challenges of advancing comprehensive climate legislation. Ultimately, recent Securities and Exchange Commission (SEC) regulations, combined with the new California legislation, will mean that most companies that would have had to disclose under this law are already covered by disclosure requirements under other jurisdictions.

Senate Bill S5437 Corporations authorized to operate in the state

Summary: This bill requires certain corporations that are authorized to operate in the state, that are subject to the supervision of the Department of Financial Services, and that had annual gross revenues of at least $500 million in the prior calendar year to prepare a climate-related financial risk report for submission to the secretary of state annually and to make the report available to the public.

Outcome: The bill received a favorable vote of 5-2 in the Senate Banks Committee, but never received a vote in the Senate Insurance Committee and died at the end of the legislative session in June 2024.

Commentary: Senate Bill S5437, similar to California's SB 261, sought to hold businesses accountable for their environmental impact by promoting informed decision-making and public awareness. As with Senate Bill S897C, the bill's failure highlights the challenges of this type of legislation, but similar requirements in other jurisdictions will largely achieve the same goal.

Senate Bill S4270A Carbon Farming Act

Summary: This bill sought to establish a tax credit for farmers who maximize carbon sequestration potential through a "carbon farming" land management strategy. The value of the credit would be determined by the commissioner of environmental conservation, in consultation with the commissioner of agriculture and markets, using existing methods for measuring air pollution.

Outcome: The New York State Senate approved the Carbon Farming Act by a vote of 57-1, but the bill never received a vote in the Assembly and died at the end of the legislative session in June 2024.

Commentary: The Carbon Farming Act aimed to incentivize the adoption of sustainable farming practices, aligning agriculture activities with New York's climate goals. It received overwhelming support in the New York State Senate. However, the bill did not progress in the assembly before the legislation session concluded. Legislation of this kind reflects a growing recognition of agriculture's role in climate mitigation. Many farmers are already reaping the benefits of sustainable practices such as cover cropping and no-till farming, which enhance soil health and increase carbon sequestration. This bill would have helped to accelerate this trend.

Forecast for future legislation

Though these bills failed to become law in the 2023–2024 legislative session, there is still potential for their reintroduction as soon as January 2025. With a growing trend of climate disclosure requirements in various jurisdictions, it is quite likely that Senate Bills S897 and S5437 will be reintroduced in some fashion. As litigation over the SEC's recent rulemaking plays out, the trend of action at the state level is likely to continue. New York is likely to be one of the next states to adopt similar requirements. Regardless of what happens in the 2025 session, it is smart and prudent for companies of all sizes to begin preparing for emissions reporting. All organizations will eventually be subject to climate disclosure requirements. Those that take proactive measures will be best positioned to benefit from the new operating environment.

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About Carbon Direct

Carbon Direct helps organizations go from climate goal to climate action. We combine technology with deep expertise in climate science, policy, and carbon markets to deliver carbon emission footprints, actionable reduction strategies, and high-quality carbon dioxide removal. With Carbon Direct, clients can set and equitably deliver on their climate commitments, streamline compliance, and manage risk through transparency and scientific credibility.

Our expertise is trusted by global climate leaders including Microsoft, American Express, and Alaska Airlines, as well as by the World Economic Forum, which selected Carbon Direct as an Implementation Partner for the First Movers Coalition. To learn more, visit www.carbon-direct.com.

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