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2025 New York State Legislative Session

Summary and commentary on new laws addressing climate change, energy, or environmental policy



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Notable climate, energy, and environmental bills from the 2025 New York State legislative session

During the 2025 session of the New York State Legislature, over 17,000 bills were introduced and 856 made it to the desk of Governor Kathy Hochul. Of those, she signed 716 and vetoed 140. Included in these totals are several bills addressing climate change, energy, or environmental policy. The state continues to be a leader in the space following the cap-and-invest framework that Governor Hochul introduced in 2023, and authorized through the New York's Climate Leadership and Community Protection Act. Below is a brief overview of this legislation with commentary on implications for businesses and residents within the state.[1]

Assembly Bill A2736A Relates to consideration of capital expenditures in rate proceedings

Summary: Assembly Bill A2736A amends New York's Public Service Law to require utilities seeking major rate changes to disclose project-level details for any associated capital expenditures. Utilities must describe the purpose, total cost, expected useful life, service territory location, and rationale for including any proposed capital expenditure in a major rate change, and the anticipated benefits to ratepayers, such as lower costs and other benefits the Public Service Commission (PSC) may determine. The PSC must post these project descriptions on its website, and utilities must prove that rate changes tied to each capital expenditure are just and reasonable. The law applies to rate matters initiated after its effective date.

1. This summary of the 2025 legislative session is not intended to be comprehensive or fully exhaustive of all climate and energy-related laws passed. Instead, the laws highlighted in this brief include those with the most significant ramifications for the climate and for businesses operating in New York. Bill titles are provided as they appear on the New York State Senate website. Please see our previous report for information about major climate legislation passed in New York in 2023 and 2024.

Outcome: Assembly Bill A2736A passed the Assembly and Senate and was signed by Governor Hochul on December 12, 2025.
Commentary: A2736A reflects recent state trends toward greater transparency and accountability in utility ratemaking by forcing granular scrutiny of capital spending that affects customer bills. Requiring project-specific disclosure and web posting strengthens PSC's and stakeholders' ability to challenge gold-plating, premature asset replacement, or investments misaligned with climate and affordability goals. The explicit focus on demonstrated ratepayer benefits and the clarified burden of proof could push utilities toward lower-cost, demand-side, and other non-wires alternatives such as demand response, as well as energy efficiency programs that better serve customers. Implementation details, especially how the PSC defines "benefits," what qualifies as a "major change" to rates, and how the PSC standardizes project submissions, will determine whether the law materially shifts capital planning for functions, mainly as a transparency and documentation exercise.

Assembly Bill A6762 Ensures energy services companies are subject to the same consumer protection regulations regarding unclaimed deposits and refunds currently facing utility companies

Summary: Assembly Bill A6762 brings energy services companies (ESCOs) under the same abandoned property and unclaimed funds rules that already govern traditional utilities in New York. The bill amends the Abandoned Property Law to explicitly include ESCOs in the definition of "utility services." ESCOs must treat unclaimed deposits, advance payments, and PSC-ordered refunds as "abandoned" after two years, publish public notice, and remit remaining funds to the state comptroller by October 10 of each year. Former ESCO customers can then recover funds through the Office of Unclaimed Funds, increasing the likelihood that refunds reach affected households.
Outcome: Assembly Bill A6762 passed the Assembly and Senate and was signed by Governor Hochul on May 23, 2025.
Commentary: A6762 closes a loophole that previously allowed ESCOs—some of which exit the market or lose eligibility—to retain customer money indefinitely, even when regulators ordered refunds. By harmonizing ESCO obligations with those of utilities, the law strengthens consumer protections in a notoriously opaque segment of New York's energy market and reinforces the deterrent effect of PSC enforcement actions. The bill also complements broader affordability and fairness goals by redirecting improperly held ESCO funds back to customers, though it does not directly address marketing abuses or rate structures.

Senate Bill S73A Relates to rechargeable battery recycling

Summary: Senate Bill S73A updates New York's rechargeable battery law to explicitly cover lithium-ion batteries that serve as the main power source for e-bikes and e-scooters and tightens statewide producer responsibility requirements. The bill prohibits manufacturers from selling covered rechargeable batteries unless they operate under an approved collection, transportation, and recycling plan, and bars retailers from selling noncompliant products. It authorizes New York City to enforce the law locally, requires safe and timely removal of collected batteries from retail sites, and directs state regulators to adopt storage and handling rules to reduce fire risk.
Outcome: S73A passed the Senate and the Assembly and was signed by Governor Hochul on December 19, 2025.
Commentary: S73A reflects mounting concern over lithium-ion battery fires, especially in dense urban environments, and leverages an extended producer responsibility framework to manage and mitigate potential end-of-life hazards. By explicitly bringing micromobility batteries into the state's existing take-back framework and giving New York City enforcing authority, the bill bridges a gap between consumer safety and circular materials management. The law should reduce unsafe storage and disposal of spent packs in unregulated repair shops and residences while channeling more material into organized collection and recycling systems. Effective implementation will depend on robust enforcement against noncompliant manufacturers and retailers, as well as clear guidance for small businesses in the rapidly evolving e-bike and delivery sectors.

Senate Bill S801 Relates to standards for electric vehicle charging stations and electric vehicle ready parking spaces in certain new buildings

Summary: Senate Bill S801 directs the State Fire Prevention and Building Code Council to promulgate updates to the Energy Conservation Construction Code of New York State (ECCCNYS) that would establish statewide standards for electric vehicle (EV) charging stations and EV-ready parking spaces in certain new buildings. The bill repeals and replaces requirements adopted in 2023 under S1763E, embedding EV infrastructure standards directly into the energy code for building design so that regulations are updated through the code process. New construction with dedicated off-street parking must comply with minimum thresholds for EV-installed and EV-ready parking spaces, while allowing municipalities to pass and enforce policy that exceeds state minimums.
Outcome: S801 passed the Senate and the Assembly and was signed by Governor Hochul on May 20, 2025.
Commentary: S801 represents a maturation of New York's EV infrastructure policy, shifting from a one-off statutory mandate toward an integrated, code-based framework aligned with long-

term decarbonization targets and construction regulations. By routing EV-ready and charging requirements through the ECCCNYS, the bill enables more frequent technical updates and better coordination with emerging national model codes and utility make-ready programs. For developers and local governments, this shift should improve the clarity and predictability of EV infrastructure requirements, but compliance costs and waiver criteria will be important to watch, especially for smaller projects and jurisdictions with limited capacity.

Senate Bill S824 Relates to the climate change adaptation cost recovery program and requirements for climate change adaptive infrastructure projects

Summary: Senate Bill S824 refines New York's climate change adaptation cost recovery program by clarifying when and how regulated utilities and other entities may recover costs for climate-adaptive infrastructure projects through rates. The bill builds off of Senate Bill S2129B which was enacted in 2024 and established a cost recovery program for climate change adaptation to secure compensatory payments from responsible parties. The bill limits eligibility to projects that are determined to reduce climate-driven risks, such as flooding, heatwaves, and storm damage, while requiring consistency with state climate plans and benefit-cost analysis standards. It directs state authorities to develop criteria for project approval, documentation, and reporting, and links cost recovery to performance, including resilience outcomes and service reliability.
Outcome: S824 passed the Senate and the Assembly and was signed by Governor Hochul on February 28, 2025
Commentary: S824 advances New York's climate adaptation policy beyond individual hardening projects toward a more structured, climate-informed capital planning framework. By conditioning cost recovery on alignment with statewide climate goals and analytic rigor, the bill encourages utilities and infrastructure owners to prioritize projects that provide measurable resilience benefits rather than defaulting to traditional like-for-like replacements. The statute's explicit requirement that 40% of qualifying expenditures benefit disadvantaged communities operationalizes New York's equity commitments and targets funding toward communities facing disproportionate risks and burdens from climate change. For ratepayers, stronger performance and resilience standards as well as stricter reporting requirements can optimize the bill's impacts by screening out low-value adaptation spending. However, affordability concerns may persist if regulators simultaneously approve large portfolios of projects for cost recovery. Over time, the framework could help normalize nature-based and distributed adaptive solutions if state authorities credit their avoided-damage and system-wide benefits on equal footing with conventional hard infrastructure.

Senate Bill S8417 Relates to the provision of gas service to new customers

Summary: Senate Bill S8417 restricts when gas utilities can extend or initiate gas service to new customers, aligning service expansions with New York's climate and building decarbonization goals. It directs the PSC to revise gas line extension and new service rules so that utilities cannot automatically subsidize new hookups through existing customers' rates and must apply stricter criteria in growth-oriented and high-emissions areas. The bill requires utilities to construct building electrification alternatives before authorizing new gas infrastructure and directs the PSC to update tariff and planning practices accordingly. These provisions apply prospectively to new or expanded service requests after the bill's effective date, which is the date it was signed.
Outcome: S8417 passed the Senate and the Assembly and was signed by Governor Hochul on December 19, 2025.
Commentary: S8417 is part of New York's broader effort to manage and responsibly scale an orderly, affordable fossil gas system by slowing the default expansion of fossil infrastructure in favor of electrification options, where possible and cost-effective. By reining in cross-subsidized gas line extensions, the bill reduces the risk that low-income or long-standing customers shoulder the cost of serving new fossil loads that may become stranded under future energy policy scenarios. Requiring regulators and utilities to weigh non-gas alternatives up front also helps align local infrastructure decisions with state-level emissions and building performance standards. Implementation details, especially PSC guidance on "public interest" and any exemptions for safety or reliability, will determine how strongly the bill constrains new gas growth versus simply improving oversight of routine extensions.

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Failed legislation

The bills listed below received favorable votes but died at the end of the legislative session in 2025 before they could receive final votes in the Senate or Assembly and be signed into law.

Senate Bill S2479 Requires the New York state energy research and development authority conduct a study on Brooklyn College constructing a micro-grid

Summary: Senate bill S2479 directs the New York State Energy Research and Development Authority (NYSERDA) to study the feasibility of developing a campus microgrid at Brooklyn College. The study would have been required to include technical design, interconnection needs, and integration of distributed energy resources such as solar, storage, and combined heat and power. The study would also have evaluated costs, financing options, and potential benefits for greenhouse gas reduction, resilience, and reliability, as well as opportunities to serve surrounding community facilities during grid outages. The bill would have required NYSERDA to report its findings and recommendations to the governor and legislature within 13 months of the bill's enactment, providing options for next steps and potential state support.
Outcome: S2479 passed the Senate and the Assembly and was Vetoed by Governor Hochul on December 5, 2025
Commentary: S2479 would have used a focused campus project to test how microgrids can advance New York's broader resilience and decarbonization goals while protecting a major public institution in a dense, climate-vulnerable borough. By tasking NYSERDA with a detailed feasibility analysis rather than directly authorizing construction, lawmakers sought to create a low-risk pathway to understand costs, regulatory barriers, and community code benefits before committing capital. The bill would have positioned Brooklyn College as a demonstration hub for multi-benefit microgrids that support critical loads on and off campus. In her memo explaining her veto of this and other similar bills that would have established commissions or task forces, Governor Hochul said the costs were not "accounted for in the State Financial Plan." The Governor did, however, direct relevant state agencies to "continue their efforts and to review and incorporate the goals in the legislation to the extent practicable."

Senate Bill S4574B Enacts the "PFAS discharge disclosure act"

Summary: Senate Bill S4575B would have required certain facilities to notify state regulators when they use or discharge perfluoroalkyl and polyfluoroalkyl substances (PFAS) into New York waters or wastewater systems. The bill would have directed the New York State Department of Environmental Conservation to establish reporting thresholds, specify which PFAS must be disclosed, and maintain a public database of reported discharges. Covered entities would have been required to report the type, volume, and frequency of PFAS use and releases, as well as update this information periodically or when operations change. The bill also would have authorized the state to seek enforcement actions and penalties for non-compliance with the disclosure requirements.

Outcome: S4574B passed the Senate but failed to receive a final vote in the Assembly before the session concluded.

Commentary: S4574B would have tackled a core obstacle in PFAS regulation: regulators cannot manage what they cannot measure. Mandatory disclosure of PFAS use and discharges would have given New York a stronger, empirical basis to target monitoring activities, set effluent limits, and prioritize cleanup resources. Public disclosure also pressures companies to reconsider non-essential PFAS use and accelerates substitution toward safer chemical alternatives. However, the bill would not itself ban PFAS or set discharge limits. The impact would have depended on how aggressively the state uses the new data to tighten permits, update water quality criteria, and guide enforcement. Given the impact of the state's agricultural industry, particularly the dairy industry, we can expect the issue to resurface in future legislative sessions.

Senate Bill S5759C Establishes a moratorium on the sale and use of biosolids

Summary: Senate Bill S5759C would have established a temporary statewide moratorium on the sale, land application, and other use of biosolids and biosolid-based products, with limited exceptions for essential public health and safety functions. The bill was a response to concerns about PFAS and other contaminants in sewage sludge. It would have directed state agencies to assess the environmental and health risks associated with biosolid use and to evaluate alternative management options such as advance treatment or disposal. During the moratorium, regulators would have been directed to develop recommendations and, if appropriate, issue updated standards or restrictions for any future use of biosolids in New York.

Outcome: S5759C passed the Senate but failed to receive a final vote in the Assembly before the session concluded.

Commentary: Biosolids are treated sewage solids reused as nutrient-rich soil amendments from wastewater plants. They accumulate PFAS because those chemicals wash off consumer products into sewers and strongly bind into organic matter. New York is particularly concerned because PFAS-laden biosolids can contaminate drinking water sources and farmland in a state already grappling with widespread PFAS detections and strict health-base standards. S5759C would have marked a sharp departure from decades of promoting land application of biosolids as a recycling solution, reflecting growing concern over PFAS contamination and diffuse nutrient pollution. For municipalities and wastewater utilities, the moratorium would likely have increased near-term costs, as sludge that once went to farms or land reclamation would shift to landfills, incineration, or new treatment technologies. At the same time, the pause in applying biosolids would have created a structured window for the state to evaluate health and environmental trade-offs as well as steer investment toward safer long-term options, including source reduction and advanced destruction of persistent contaminants. As with S4574B, we can expect the issue to resurface in future legislative sessions.

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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.

Disclaimer

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