

New Report Highlights Urgent Need for \$200M Annual Investment in GAP Fund to Support Energy Efficiency and Home Remediation for Low- and Moderate-Income New Yorkers

FOR IMMEDIATE RELEASE

March 26, 2025

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NEW YORK – A new <u>report</u> from the Fiscal Policy Institute reveals that between 550,000 and 1.1 million low- and moderate-income (LMI) households in New York State face significant barriers to accessing energy efficiency and electrification programs due to unresolved health and safety issues in their homes. The report, for WE ACT 4 Change provided financial support, finds that a \$200 million annual investment in the GAP Fund (<u>S.3315/A.2101</u>) could help remediate at least 10,000 homes per year, enabling them to qualify for critical energy efficiency upgrades.

Low- and moderate-income households are disproportionately burdened by aging housing stock with lead, mold, asbestos, and other code violations, making it nearly impossible for them to benefit from energy-saving programs. Because existing state programs do not cover pre-electrification remediation costs, these households are being left behind in New York's transition to clean energy.

"The GAP Fund would be a game-changer for low- and moderate-income households struggling with high energy costs and hazardous living conditions," said Annie Carforo, Climate Justice Campaign Manager at WE ACT 4 Change. "By including funding for critical home remediation in the final budget, New York can ensure that all residents—regardless of income—benefit from a healthier, more affordable, and sustainable energy system in their home."

Both the New York State Senate and Assembly have recognized these barriers in their one-house budget proposals, acknowledging that health and safety upgrades must be addressed before energy efficiency and electrification efforts can proceed. To meet the scale of the challenge, the GAP Fund program details need to reflect the language included in the Senate's one-house budget, with a dedicated budget line of \$200 million.

"I believe that every New Yorker, regardless of their income, deserves a safe, healthy, and affordable home and the peace of mind that they're a part of the movement toward a more sustainable and equitable future for all New Yorkers. The GAP Fund is a critical step toward ensuring that low- and moderate-income households are not left behind in the transition to clean energy," said **New York State Senator Kristen Gonzalez.**

"We know that the oldest buildings needing the most repair are also the most energy inefficient. This analysis shows that by funding pre-electrification upgrades and making energy efficiency programs easily accessible to low and moderate income folks, we can have a huge impact both reducing costs and improving well being for a large number of people," said **New York State Assemblymember Anna Kelles.**

"We look forward to working with both houses and the Governor to finalize this necessary funding," added **Carforo.** "This investment is essential to ensuring energy affordability, improving public health, and meeting New York's ambitious climate goals."

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WE ACT 4 Change, Inc. is a 501(c)(4) political organization affiliated with WE ACT for Environmental Justice. The goal of WE ACT 4 Change is to build and leverage political power in our fight to achieve environmental and climate justice for communities in Northern Manhattan, and to use it to engage in voter and civic engagement activities, rank and endorse political candidates, lobby for policies and programs, and hold elected officials accountable. Visit weact4change.org and connect with us on Facebook, Twitter/X, and Instagram.

Low-income households often face the biggest barriers to energy efficiency, weatherization, and electrification due to living in older housing stock with deferred maintenance that prevents basic energy upgrades that make homes more affordable and healthy. For example, homes that have environmental health hazards like lead, mold, and asbestos, or other code violations, will have to resolve these issues before they can qualify for energy efficiency or electrification interventions. This pre-electrification work is usually too costly for homeowners and building owners to take on themselves and is not currently funded by existing state programs. New research from Fiscal Policy Institute and WE ACT For Environmental Justice finds Investing \$200 million per year from the GAP Fund could remediate a minimum of 10,000 homes per year. This new research demonstrates the need for Gap fund highlighting Between 550,000 and 1.1 million low- and moderate-income (LMI) households could benefit from home remediation support before accessing energy-efficiency programs.

The Gap Fund would alleviate these concerns by supporting New Yorkers' transition to a more sustainable energy system that saves money and protects their health. New York State committed to the Climate Leadership & Community Protection Act (CLCPA) which included the ambitious and important goal of reducing greenhouse gas emissions in the State by 40 percent relative to their 1990 level by 2030. To meet this goal, residential buildings all across the State must take steps to reduce their energy usage and transition to using all electric energy.

Both the Senate and the Assembly have acknowledged in their one-house budgets proposals that health and safety upgrades are barriers to weatherization and energy efficiency and need to be addressed. The GAP Fund should have its own \$200 million line item in the budget as introduced in the assembly and aligned with the language provided by the senate to effectively launch this program. We are looking forward to working with both senate and assembly to align on the funding and language around this program that would help millions of New Yorkers access energy efficiency programs that are vital to reching the state's climate goals while alleviating energy burdens that are associated with with environmental hazards inside the home.