CAP AND INVEST to Meet New Yorkers' Needs

FEBRUARY 2026

New Yorkers for Clean Air

CLIMATE JOBS NY EDUCATION FUND

Spring Street CLIMATE FUND

Table of Contents

Letter from the Authors

If done right, climate action can change New Yorkers' lives for the better.

Our organizations support moving forward with the Clean Air Initiative, New York's economy-wide cap-and-invest program. We believe that New York must prioritize tackling climate change, and we know that bold climate action through cap-and-invest will bring concrete, near-term benefits for New Yorkers: immediate savings on energy bills, cleaner and healthier air for our children, long-term investments in our homes, and good union jobs for the New Yorkers who will make it all happen.

In other states that have implemented cap-and-invest programs, the benefits have become clear to constituents. Over the course of 11 years, California Climate Investments directed $12.8 billion of cap-and-invest revenues to more than 590,000 individual projects and created an estimated 122,000 new jobs. In Washington State, cap-and-invest funding has made public transit free for young people and reduced fares across the board, lowered energy costs, sustained local fishing industries, and more. Those programs are successful and popular—California's legislature just extended its cap-and-invest program to 2045, and Washington voters rejected a ballot challenge to their initiative by a 24-point margin. Constituents in both states are invested in the great benefits that cap-and-invest programs are bringing to their lives, and are deciding unambiguously to protect and extend their programs.

What's more, the cap-and-invest model is a proven solution in New York, and ready to scale. For nearly two decades the state has been a leader in a regional program capping pollution from power plants and driving investments in energy efficiency and clean energy programs that are projected to save ratepayers $12 billion over their lifetime—a 6 to 1 return for every dollar invested—and avoid an estimated $1.7 billion in public health costs. In other words, similar policies have been humming in our state for years, demonstrating that energy affordability and reducing harmful, costly pollution are two sides of the same coin.

It's time for more New Yorkers to reap further benefits as we cut pollution economy-wide through the Clean Air Initiative.

In this report, we outline a version of what those benefits could be. We take a realistic revenue projection rooted in NYSERDA's modeling, and conservatively estimate how far those dollars can take us, to lay out one possible vision of what the Clean Air Initiative could do for New Yorkers.

As we crunched the numbers, we found that over the next ten years, the Clean Air Initiative could bring tangible, meaningful benefits to working families in every community across the state. Hundreds of dollars off energy bills each year, for more than six million households. 250,000 households liberated from expensive oil heating. 500,000 homes weatherized to save money for their occupants every year into the future. 1,000 schools retrofitted to provide safe, clean air for our kids. And more.

This vision is just one way we could implement the Clean Air Initiative. Other New Yorkers may have their own visions, and we welcome a robust dialogue about how to invest in our state and in our communities. With this report, we aren't trying to prescribe exactly how Clean Air Initiative revenues should be spent: we are simply illustrating the enormous, and very tangible, benefits that New Yorkers will see in their lives when we move forward with the program.

We welcome feedback and we welcome dialogue, but most importantly we invite you to look through our ideas and consider how the Clean Air Initiative could produce benefits for you.

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Introduction

What can the Clean Air Initiative do for New Yorkers? The answer is of vital importance, substantively and politically.

In California, Washington and elsewhere, voters and legislators have experimented with cap-and-invest systems and have built systems that are effective, durable and popular—not just because they help tackle climate change, but because they deliver concrete benefits that people can see and feel in their communities.

To date, the conversation in New York has focused on what cap-and-invest would cost. But voters in other states wouldn't be advocating to protect and expand their cap-and-invest programs if the programs were experienced primarily as a cost; voters are standing up for these programs because of what they deliver.

New York's Clean Air Initiative is conservatively projected to raise $57.4 billion in cap-and-invest revenues over the next decade. What can those funds do for New Yorkers? This report lays out just one version, and we find that the benefits could be enormous.

We based each calculation in our report on publicly available information, both about the prospective scope of the program and about what it could realistically pay for New Yorkers. And rooted our analysis in four guiding principles:

1. **Improving Affordability:** Bringing down costs by building out cheap and clean energy resources, subsidizing energy bills, and lightening cost burdens on utility ratepayers.

2. **Securing Good Union Jobs:** Building a safer, more sustainable New York with union labor and high-road standards.

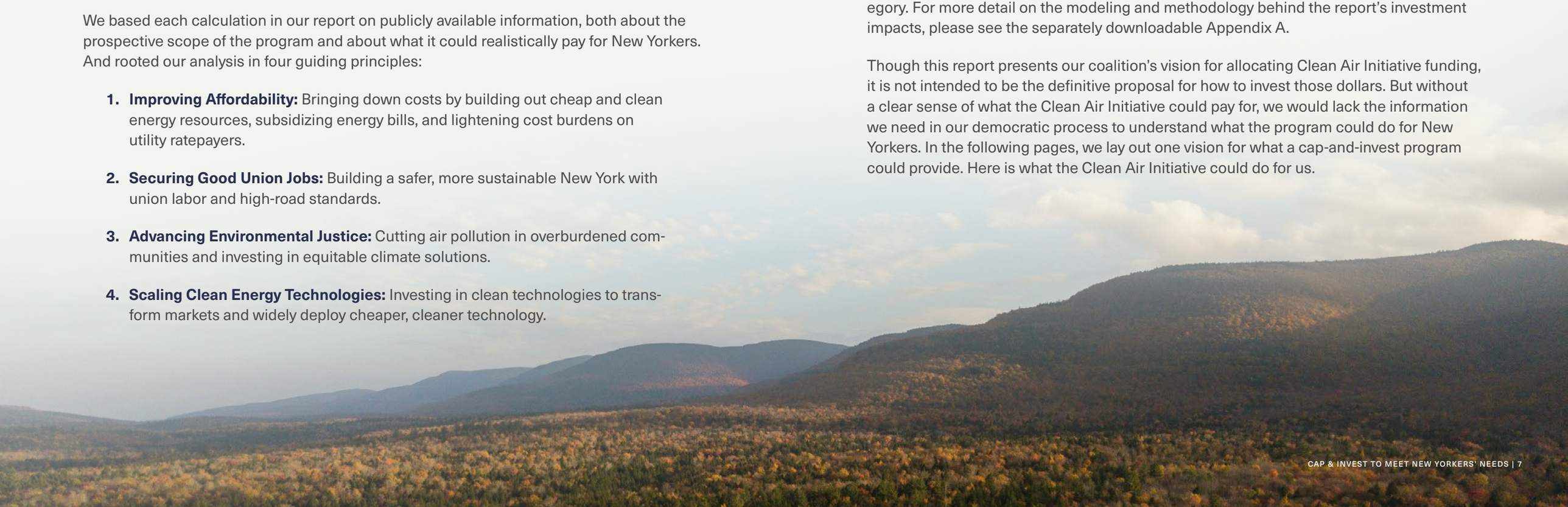
3. **Advancing Environmental Justice:** Cutting air pollution in overburdened communities and investing in equitable climate solutions.

4. **Scaling Clean Energy Technologies:** Investing in clean technologies to transform markets and widely deploy cheaper, cleaner technology.

This report describes, specifically, how we could channel investments to achieve these goals. We can prioritize accessibility for low- and moderate-income (LMI) households so they can afford new, more efficient home appliances that can save them money every year. We can likewise ensure that the workers installing, constructing, and implementing these systems receive fair wages and family-sustaining benefits. The state can bundle residential projects regionally to attract responsible union contractors to perform the work. And for larger-scale projects in state-owned buildings and facilities, we can utilize project labor agreements to ensure work is completed on time, under budget, and in an efficient manner with a readily available supply of skilled union labor.

The report's modeling is grounded in New York State's revenue estimates for the Clean Air Initiative. The New York State Energy Research and Development Authority's most conservative analysis scenario projects revenues of $57.4 billion over the first decade of a cap-and-invest program in New York. The funding allocations likewise follow the requirements of the Clean Air Initiative and Climate Action Fund, which stipulates that at least 30% of revenues will go to the Consumer Climate Action Account for direct financial assistance to New Yorkers amid rising energy costs, up to 3% will go to the Industrial Small Business Climate Action Account to cut energy costs for industrial small businesses, and at least 67% will move through the Climate Investment Account to reduce New York's greenhouse gas emissions. The report also incorporates assumed overhead costs of 4%, and the sections below draw on dozens of sources to identify per-unit costs for each investment category. For more detail on the modeling and methodology behind the report's investment impacts, please see the separately downloadable Appendix A.

Though this report presents our coalition's vision for allocating Clean Air Initiative funding, it is not intended to be the definitive proposal for how to invest those dollars. But without a clear sense of what the Clean Air Initiative could pay for, we would lack the information we need in our democratic process to understand what the program could do for New Yorkers. In the following pages, we lay out one vision for what a cap-and-invest program could provide. Here is what the Clean Air Initiative could do for us.



More Affordable Homes

Energy costs are squeezing New Yorkers. More than 2 million New York households spend more than 6% of their income on electricity, heating, and other utility bills. As prices rise and families struggle to keep up, many are forced to choose between heating their homes and other essentials, leading to financial sacrifice, utility shutoffs, and even serious health risks. Addressing these soaring bills is critical to protecting our communities' well-being and financial security.

Cap-and-invest can cut household costs at multiple points: direct bill rebates for low- and moderate-income households, grants for weatherization and insulation upgrades, incentives to install efficient heat pumps, and investments in rooftop solar panels to reduce the cost of electricity. Programs funded by cap-and-invest could help hit Governor Hochul's target of 2 million electrified or electrification-ready homes by 2030, and can create good, union jobs, improving pay and benefits for thousands of working families. Together, these strategies would lower monthly bills and make life more affordable for millions of New Yorkers—right when they need relief most.

Energy Rebates

Provide nearly **$270** in annual energy rebates for **6.5 million** households

Electric bills in New York are the highest they've been in a decade, and New Yorkers are feeling the strain. The Clean Air Initiative will dedicate at least 30% of its revenue, the largest slice of the program's pie, to lowering energy costs for working families. Under a framework where utility bill rebates are targeted to low- and moderate-income households earning up to $200,000 per year, more than 80% of all New York households can expect to receive **an average yearly rebate of $266 for their energy bills**. These direct rebates are a central feature of the Clean Air Initiative, and stand to lower the sky-rocketing cost of living for millions of New Yorkers.

Household Weatherization

Equip **500,000** households with new insulation, windows, and doors to save **$660** each year on energy bills

New Yorkers consume more energy—and pay more on their utility bills—to heat and cool older buildings, where low-quality insulation and drafty windows make homes harder to keep comfortable. Roughly three million households in New York would see their energy bills drop if they weatherized their homes with upgraded insulation, windows, and doors. The Department of Homes and Community Renewal (HCR), which runs the state's weatherization program, estimates that households can save roughly $660 per year in energy costs by properly weatherizing.

With current funding levels, the program that HCR runs can only help roughly 7,500 households per year. Another state program, EmPower+, has helped an additional 22,000 lower-income households weatherize their homes in a single year. The Clean Air Initiative could supercharge these programs so that 500,000 New York households reap the benefits—including cost savings—over the next decade. By allocating roughly $3.6 billion of cap-and-Invest revenue to weatherization programs, New York State would fully pay for 500,000 households to make their homes safer and more comfortable while dramatically reducing their utility bills.

The state must ensure that these residential retrofit projects create good, career-track union jobs that offer a pathway to the middle class. Securing fair wages and family-sustaining benefits for workers under these programs—and providing that qualified responsible contractors are engaged to perform these repairs—will help create additional jobs and increase local revenues throughout the state. The Clean Air Initiative requires prevailing wages and labor peace agreements on all projects receiving over $100,000, but many smaller projects, including repairs to individual homes, may not meet this threshold. Aggregating multiple home repairs into larger bundled projects, similar to the model of the Regional Weatherization Program, would reach the labor standard threshold, attract high-road union contractors, create opportunities for local residents to enter the unionized construction industry, and achieve higher efficiencies from economies of scale.

Rooftop Solar

Provide **400,000** more homes with rooftop solar, saving more than **$2,300** each year on their electricity bills

Solar panels translate directly to energy bill savings by letting New Yorkers generate their own electricity and sell excess power back to the grid on sunny days. In 2024, New York State helped 17,000 New York homes go solar. Drawing on cap-and-invest revenues, the state can, on average, more than double that pace each year; with $2.3 billion of funding from the Clean Air Initiative, New York can help 400,000 households add rooftop solar and save $2,300 annually over the coming decade.

These investments would present an opportunity to improve labor standards for solar installers across the state. While most rooftop solar installation jobs have historically been non-union, the state can reverse that trend and prevent worker exploitation by bundling projects and enforcing labor standards. New York is already home to multiple models for solar programs creating good union jobs: NYC's Solar on Public Buildings law and the Public Solar NYC program have both modeled high-road labor standards for solar panel installations. The Clean Air Initiative can build on these precedents for statewide progress.

Heat Pumps

Subsidize heat pumps for 250,000 homes, saving an average of $1,000 per year for each household

Efficient heat pumps can save money on both winter heat and summer cooling, especially for weatherized homes and those outside the gas grid. A recent Switchbox study found that among the millions of homes in New York that would be cheaper to heat with heat pumps, the average household would save more than $1,000 per year in energy costs by switching to heat pumps.

But upfront cost is a major barrier to the heat pump transition; heat pumps are, for low-income homes, currently about $15,000 more expensive than traditional boilers and furnaces. The state can bridge that gap with a matching $15,000 per-unit subsidy and help 250,000 households make the switch over the next decade. Cumulatively, this program would save New Yorkers hundreds of millions of dollars in home heating costs every year.

As that program grows, supplementing incentives with a bulk purchasing program for heat pumps would further lower equipment costs and allow for the application of labor and Buy American standards to the original equipment manufacturers. The state can also aggregate the heat pump installation program to achieve scale in the industry and create well-paying, middle-class union jobs for New Yorkers.

Cheap, Clean Energy

Cheap renewable energy—like solar, wind, and battery storage—will bring down the cost of electricity and lower monthly bills for millions of New Yorkers. As more projects come online, competition and innovation will also push prices down, freeing up household budgets and easing energy burdens. More utility-scale projects also means more good, union jobs for New Yorkers.

At the same time, a distributed network of clean generators and storage makes our grid stronger and more flexible. Local power paired with batteries can smooth out peaks, withstand storms, and keep lights on during outages, and thereby lay a reliable foundation for electric vehicle charging, green industries, and long-term economic growth.

Expanding the Grid

Invest **$3 billion** in cutting consumer costs and building a more resilient grid

New York's transmission infrastructure, which carries power over long distances, is getting several needed upgrades—but utility customers are bearing the cost. The state can use $3 billion of cap-and-invest revenues to take that burden off of ratepayers and fund new transmission lines with state dollars.

Investing in transmission lines will help build a cleaner, more resilient grid by replacing degraded power lines, connecting New York City to offshore wind development zones, and easing interconnection queues for new clean power coming online. Installing new transmission means good jobs—Champlain Hudson Power Express alone created 1,400 union jobs—and additional state investment means even more opportunity for New Yorkers to find career-track jobs through expanded pre-apprenticeship and apprenticeship programs.

Community Solar

Provide **1 million** renters access to community solar, immediately saving them **$170** each year

Community solar projects open the door for millions of low- and moderate-income New Yorkers in multi-family homes and apartment buildings to share in the benefits of clean, locally generated power—no rooftop panels required. By subscribing to a nearby solar project, households automatically receive credits on their utility bills for the electricity produced on their behalf. Those savings can translate into an immediate savings of $170 each year on average, easing monthly budgets and protecting against volatile energy prices.

Beyond individual bill relief, community solar strengthens neighborhoods by keeping dollars within local economies. These shared projects create union construction and maintenance jobs, promote energy independence, and expand clean-energy access to renters and apartment dwellers who can't install rooftop systems. As more communities host these solar arrays, the grid becomes more resilient and distributed, delivering affordable, reliable power that can weather major storms.

New York is a national leader in developing community solar farms and has helped many community solar developers through the NY-SUN incentive program. However, the program caps the yearly incentives it provides, which has resulted in oversubscribed community solar projects with increasingly long waitlists. By expanding NY-SUN's program with an additional $1.84 billion, the state could subscribe 1 million additional households to community solar farms in the next decade.

Thermal Energy Networks

Build **200** thermal energy networks to help hospitals, schools and apartment complexes save energy

Peaks in heating and cooling demand often strain our grid and drive up costs—especially at hospitals, college campuses, and large apartment buildings that rely on fossil fuel boilers or individual heating and cooling units. Thermal energy networks (TENs) address this challenge by using central ground source heat pump technology to deliver efficient heating, cooling, and hot water to groups of buildings. By replacing dozens of smaller systems with one shared, highly efficient facility that can balance both heating and cooling, buildings can cut their energy use and utility bills dramatically while easing pressure on the electric grid, which saves money for everyone who pays an electricity bill.

The New York State Energy Research and Development Authority (NYSERDA) has identified 417 building clusters that would make ideal candidates for TENs installations. Many of these campuses are already served by central heating and cooling facilities that use fossil fuels, which can be converted to run on efficient electric heat pumps. While these projects promise deep long-term savings, they require significant up-front capital. With $1.8 billion of additional funding from the Clean Air Initiative, we project that the state can help convert up to 200 of those building clusters and campuses to thermal energy networks.

Those investments can create good union jobs; TENs are well-suited for utilities, public buildings, and complex operations that employ union labor. The skills required to build and maintain thermal networks are the same as those for natural gas distribution pipelines, meaning thermal energy networks can provide employment and reskilling opportunities for union workers looking for work to replace gas projects in the clean energy transition.

Clean Air for Kids

Children are most vulnerable to air pollution. Breathing in toxins from cars, diesel buses, power plants, and even unmitigated wildfire smoke makes childhood asthma far more likely, increases cancer rates among children, and affects brain development. Cap-and-invest funds can accelerate clean technologies and protect kids in the places they spend the most time: at home, at school, and in transit between.

Green Healthy Schools

Fund energy-efficient upgrades at **1,000** schools, lowering costs and improving indoor air quality for **hundreds of thousands** of children

Many schools across New York rely on outdated, inefficient heating and cooling systems that drive up energy bills for school districts, fail to perform during heat waves, allow wildfire smoke into classrooms, and worsen indoor air quality—conditions that affect the performance and health of both students and teachers. Cap-and-invest revenues can tackle that challenge by dedicating roughly $5.8 billion for retrofits to create 1,000 green public schools over 10 years, with clean heating and cooling systems, LED lighting, improved ventilation, and new solar energy systems to power it all.

Improving school buildings for kids is skilled work, and school retrofit projects can best create good union jobs by operating under a project labor agreement (PLA). PLAs are a key tool for securing a skilled source of labor to efficiently undertake these projects while creating career opportunities for local residents and providing entry to the middle class.

In addition to creating good union jobs, these upgrades will lower school district energy costs by thousands of dollars per building each year, freeing up local budgets for teachers and academic programming. Cleaner and cooler indoor air will reduce student absences, improve focus and test scores, and enhance learning environments for hundreds of thousands of students. A healthier school is a more successful school—and a smart long-term investment in our children.

Clean School Buses and Trucks

Provide competitive grants to electrify **20,000** trucks and buses and cut diesel pollution

Heavy-duty trucks are a major pollution source in New York, causing dangerous air pollution and an estimated 170 deaths annually in New York City alone. They pose an especially grave threat to children in frontline communities; half of last-mile warehouses, which generate massive volumes of diesel truck pollution, are located in designated environmental justice areas. Diesel school buses put New York's children at further risk, exposing more than 2 million students statewide to diesel fumes that harm their developing brains, make childhood asthma worse, and increase their risk of cancer.

The state can help electrify these polluting heavy-duty vehicles with an initiative modeled after the federal Clean Heavy-Duty Vehicles Grant Program, which previously assisted the state in purchasing hundreds of zero-emission trucks and buses. A similar state-run grant program, with about $3 billion in total funding, would enable the purchase of 20,000 more electric trucks and buses—including supportive charging infrastructure and workforce development—and secure cleaner air for New York's children both at home and in school.

Improving Transportation

New Yorkers need affordable, reliable transportation to get to work, run errands, drop their kids off at school, and more—especially outside of New York City, where public transit options are often limited. Without decent transit, long drives and high fuel costs eat into family budgets and limit job opportunities in upstate and rural communities. Cap-and-invest revenue can change that by funding top-notch public transit across the state to expand bus lines, commuter rails, and ferries. It can also help drivers switch to lower-cost clean vehicles with incentives and charging stations for safe, comfortable commutes. The Clean Air Initiative can fundamentally improve how hundreds of thousands of New Yorkers get around every single day.

Increasing Upstate Bus Service and Frequency

Dedicate **$145 million** each year to expand service hours, coverage, and frequency for transit systems outside of New York City

Much of upstate New York experiences infrequent, inconsistent, or otherwise unreliable transit service. Workers may be cut off from opportunity simply because a bus doesn't run after 6pm. Parents may be late to pick their kids up from school because of delayed arrivals. Patients may miss medical appointments while stuck on the bus in traffic. Cap-and-invest can fund expanded service—including rapid bus routes, evening service, and weekend hours—to help people get where they need to go on time.

Expanded services would dramatically improve mobility for thousands of working families, and especially those who can't afford to own cars, while reducing traffic congestion and local air pollution. Transit agencies in Albany, Syracuse, Buffalo, Rochester, Binghamton, Poughkeepsie, Westchester, Long Island, and elsewhere already have expansion plans; they only need stable funding. By investing roughly $145 million annually for service expansions proposed by the New York Public Transit Association, the state could build out robust transit networks in communities across New York.

Fast Electric Vehicle Charging Stations

Build nearly **7,000** new public fast charging stations across New York State

New York's roughly 10 million gas-powered cars are fueled by over 7,000 gas stations. To make the shift to electric vehicles (EVs) feasible, we need an equally comprehensive charging network—but New York currently has only around 500 publicly accessible Level 2 charging stations and 120 Level 3 charging ports, each with an average of 4 ports. The U.S. Department of Energy estimates New York needs 6,850 public Level 3 fast charging ports to accommodate significant growth in electric vehicle use.

Assuming the state covers a large share of installation costs, about $1.5 billion of cap-and-invest revenue will allow New York State to build all of the fast charging infrastructure it needs and provide New York's EV drivers a robust statewide network of fast chargers. Investing in a statewide charging network will also create good union jobs—EV charger installation and maintenance is skilled work, and the state can contract with union workers to get it done.

Electric Vehicle Incentives

Help more than **600,000** New Yorkers make the switch to electric vehicles

Charging an electric vehicle costs about half as much as refueling a car, and EV maintenance is more than $300 cheaper each year than maintenance for gas-powered cars. Switching to an EV would therefore save the average New Yorker several hundred dollars each year—but the upfront expense of an electric model is a major deterrent to EV ownership. Cap-and-invest revenue can help cover that cost.

With roughly $2.1 billion of cap-and-invest revenue, New York can create refundable tax credits to subsidize both new and used electric vehicles and help 650,000 New Yorkers buy their own EVs. That investment can help working families save money, reduce air pollution, and advance the transition to cleaner and safer transportation options.

Investing in People and Communities

The Clean Air Initiative isn't just an opportunity to achieve lower costs and cleaner air; it's a chance to invest directly in New York's communities and working families. Cap-and-invest revenues can support community-led infrastructure projects, train workers for union jobs in the clean energy economy, and sustain small businesses. This funding can change how New Yorkers live, work, and get around, and it can help them build healthier, safer neighborhoods.

Community-Directed Investments

Provide **$2 billion** in planning, development, and implementation grants for disadvantaged communities across New York

The Climate Leadership and Community Protection Act (CLCPA) specifies that disadvantaged communities shall receive at least 35% "of overall benefits of spending on clean energy and energy efficiency programs," including related investments in housing, workforce development, pollution reduction, and more. To that end, New York could direct a portion of its cap-and-invest revenues to supporting projects developed and implemented by disadvantaged communities, as described in the Switchbox report commissioned by the Environmental Defense Fund, Earthjustice, and WE ACT for Environmental Justice. Dedicating cap-and-invest revenues to place-based, locally driven investments would empower disadvantaged communities and ensure tangible felt impacts across New York.

California offers a model for community-directed investment programs. As Switchbox describes, the state allocates a portion of its cap-and-invest revenues to a three-stage grant program for community-driven projects. Local stakeholder groups can apply for planning, development, and implementation grants to fund projects from inception to execution.

That initiative has supported communities through projects ranging from building affordable housing to improving pedestrian infrastructure. To help meet both its climate goals and its responsibility to direct benefits to disadvantaged communities, New York could implement a similar multi-stage grant program under the Clean Air Initiative.

Jobs Training Programs

Invest more than **$1.4 billion** in training programs tied to real jobs in the clean energy transition

The investments in this report cannot move forward without the skilled labor of hard-working New Yorkers. Operating our transit lines, installing new EV chargers, upgrading insulation in low-income housing, retrofitting schools to protect students and teachers from toxins and wildfire smoke—all of these efforts and more will depend on workers. The state could direct 2.5% of all its cap-and-invest revenues, equivalent to more than $1.4 billion, to train thousands of New Yorkers to undertake that work.

The building trades in New York run dozens of apprenticeship programs that train thousands of New Yorkers annually for skilled work. As cap-and-invest opens new job opportunities across sectors and industries, the program can help grow these initiatives and drive collaboration to maximize impact. Investment in these training programs will ensure that New York maintains a robust skilled workforce available to meet the challenges of the clean energy transition.

The cap-and-invest training funds can prioritize three key objectives: 1) expanding existing registered apprenticeships through targeted funds for facilities upgrades and other capital projects; 2) reducing barriers to entry and growing participation in apprenticeship readiness programs to support recruitment from underserved and underrepresented communities into the trades; and 3) fostering collaboration among labor unions, government, community organizations, funders, and companies to shape a training agenda that raises standards across the board.

Support for Small Businesses

Dedicate **$1.7 billion** to supporting New York's small businesses through the clean energy transition

All of New York's cap-and-invest revenues will pass through the Climate Action Fund, which dedicates up to 3% of its proceeds to the Industrial Small Business Climate Action Account. Over the course of ten years, that account will direct more than $1.7 billion to help industrial small businesses deploy cost-saving measures to cut greenhouse gas pollution. Small business owners will benefit from financial support for shifting to cleaner, more efficient technologies, and New Yorkers will feel the direct impact of those investments in the form of lower costs and a more rapid, financially sustainable transition. All of New York's cap-and-invest revenues will pass through the Climate Action Fund, which dedicates 3% of its proceeds to the Industrial Small Business Climate Action Account. Over the course of ten years, that account will direct more than $1.7 billion to help industrial small businesses deploy cost-saving measures to cut greenhouse gas pollution. Small business owners will benefit from financial support for shifting to cleaner, more efficient technologies, and New Yorkers will feel the direct impact of those investments in the form of lower costs and a more rapid, financially sustainable transition.

Upgrading Public Infrastructure

The Clean Air Initiative can help upgrade New York's infrastructure to secure cleaner air, save taxpayer money, and build a more resilient state. Many publicly owned buildings are aging and increasingly inefficient, imposing unnecessary costs on taxpayers and worsening local pollution with outdated fossil fuel equipment. Degrading forests and sparse street canopies make the state less resilient in the face of mounting climate disasters. The state could use cap-and-invest revenues to retrofit and restore public infrastructure and make meaningful, overdue, and capital-intensive improvements.

NYC Public Housing

Invest **$500 million** in repairing and weatherizing New York City's public housing

The New York City Housing Authority (NYCHA) is already leading the nation with innovative investments in cleaner appliances and more resilient apartment buildings. The agency, which manages nearly 180,000 apartments across 2,400 buildings, also faces a substantial backlog of repairs and upgrades. The Clean Air Initiative can help resolve that backlog while advancing additional investments in climate-ready rental units.

The state could dedicate $500 million in cap-and-invest proceeds over the next decade to support basic repairs for weatherization readiness, improved heating and cooling systems, and other projects that would cut energy costs for NYCHA while providing tenants with safer, more comfortable homes. That funding would advance the state's mandate to direct at least 35% of the benefits of cap-and-invest revenues to disadvantaged communities, and would provide an opportunity to create good union jobs in construction and maintenance.

State-Owned Buildings

Cut energy costs and create union jobs by investing **$50 million** annually in weatherizing and electrifying public buildings

New York State would cut its own energy costs substantially by investing in weatherizing and electrifying state-owned buildings—savings that would be passed along to New York taxpayers. Upgrading public buildings, some of which burn fuel for power and heat on-site, would also deliver cleaner air for surrounding neighborhoods and safer working environments for state employees. Wide-scale investments in improving insulation, installing and maintaining new zero-emissions equipment, and other retrofit projects can create good union jobs in communities across the state.

Forests and Urban Trees

Plant **350,000** trees across urban neighborhoods and restore **300,000** acres of forestland

Trees play a vital role in New York's response to the climate crisis. In our cities, urban trees cool neighborhoods and absorb stormwater, which reduces flooding. They also improve human health and well-being and make cities more livable. Reforestation will build healthier ecosystems that can better withstand the changing climate and provide wildlife habitat and open opportunities for recreation. Advancing New York's goals on reforestation would result in thousands of new jobs for New Yorkers. Healthier forests could also sustain a timber industry that would create jobs and promote carbon-sequestering practices.

Tree planting and maintenance is a visible, popular investment that provides benefits at the moment the first trees are put in the ground. These investments are also much needed to support the New York State goal of planting 1.7 million acres statewide by 2040 and the New York City goal of reaching at least 30% canopy cover citywide, which will require new tree plantings and better maintenance of the existing urban forest. Allocating $3.1 billion for all of these efforts would help New York achieve sweeping improvements to urban landscapes and wild forestlands.

Conclusion

The Clean Air Initiative would tackle New York's cost of living crisis, secure cleaner air, dramatically cut carbon pollution, and so much more. In this report, we present just one vision, with the most conservative projections available, of how the program's revenues can be deployed to help New Yorkers. We know that a properly implemented cap-and-invest program would limit pollution while raising tens of billions of dollars of revenue. We know that those funds must be directed to cutting energy costs, uplifting disadvantaged communities, creating good union jobs, and accelerating the clean energy transition. We also know that executing on all of those priorities will change New Yorkers' lives for the better. The Clean Air Initiative is a generational opportunity to build a safer, more affordable, and more prosperous New York.

For additional detail on the modeling in this report, please refer to Appendix A: Methodology.

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