

EMPIRE STATE FOREST PRODUCTS ASSOCIATION

47 Van Alstyne Drive, Rensselaer, NY 12144 www.esfpa.org

Empire State Forest Products Association
Testimony
on the
FY 2024-25 Executive Budget Proposal
for

Transportation, Economic Development & Environmental Conservation
Submitted February 6, 2024

Environmental Protection Fund (EPF)

The Governor appropriation request for the Environmental Protection Fund is \$400 million, level funding from last year's historic increase. ESFPA is supporting this level of funding but notes that if the EPF is going to help achieve the ambitious goals of the Climate Scoping Plan we must start looking for a pathway to a \$500 million EPF. Included in the Governor's appropriation request are:

- \$34.5 million for Open Space/ Land Conservation. ESFPA priority is working forest conservation easements both state and the Land Trust Easement programs funded at \$1.5 million.
- \$1.85 million for Biodiversity/ Landowner Habitat Conservation. Priority for keeping private forests as forest and maximizing forest biodiversity and habitat on private forest lands.
- \$17 million for Invasive Species. Priority on forest pests and diseases impacting private forests.
- \$2.4 million for Greenhouse Gas Reduction Outside Power Generation. Includes \$500,000 for Regenerate NY and \$500,000 for the Community Forest Program.
- \$8.525 million for Climate Adaptation. Includes \$200,000 for the Wood Products Development Council and \$1 million for the Climate and Applied Forestry Research Institute.

ESFPA notes that last year the Legislature added the Climate and Applied Forestry Research Institute (CAFRI) at \$1 million and this year the Governor included it at \$1 million. CAFRI is advancing real applied research at the State University of New York College of Environmental Science and Forestry (ESF) and Cornell College of Agriculture an Life Science CALS). This applied science is making a real difference at implementing science called for in the Climate Scoping Plan. This year ESFPA is asking for an increase in CAFRI funding to a total of \$1.5 million and adding Paul Smith College to the research efforts of CAFRI.

CAFRI is advancing carbon storage and sequestration on forests and agricultural lands with an eye toward projecting how these can change over time and under various management strategies. More funding is necessary to further advance this applied science towards achieving our long-term contributions of our working lands on climate change..

Funding for Easements for Land Trusts, Regenerate NY, the Wood Products Development Council and Community Forest programs have demonstrated the significance of how forests are a driver in natural solutions to climate change. These programs have not, however, been funded to a scale that can generate the climate benefits we need. These programs also need to focus on implementing forest practices that bring additionality to annual carbon sequestration rates and viability to New York forest

economy. This year, ESFPA also supports increasing these program funds to: Easements for Land Trusts \$2 million; Regenerate NY \$1 million; Wood Products Development Council \$400,000 (with \$100,000 to New York Logger Training, Inc.); and Community Forests \$1 million.

Finally, ESFPA does not support the administration's proposal to offload \$25 million in agency staff and operation expenses onto the EPF. We urge the Legislature to reject this effort and restore and enhance EPF funding in those areas that the fund was intended to support.

Make New York Greener

Governor Hochul has called for a goal of planting 1.7 million acres of new forest by 2040 and to jump start this effort with a goal of planting 25 million trees by 2033. To do this she is proposing a \$15 million grant program for municipalities and non-governmental organizations to be expended over three years. In addition, she has articulated but not allocated a capital program at the Saratoga Tree Nursery at Saratoga State Park. ESFPA can embrace a program for reforestation and one that also places a priority for replanting especially in urban and suburban areas which could benefit from an ambitious tree planting and arboriculture program so long as it is within a statewide context.

How such a program, however, translates into longer term climate and afforestation goals has not clearly been articulated by the Governor. As we noted above, the Environmental Protection Fund presently has programs that could substantially advance these reforestation goals such as regenerate NY, conservation easements and the Community Forest program, but these have not been articulated or funded to scale for such and effort. We would welcome the opportunity to work with the Legislature and Governor to partner of a forest initiative that could bring the knowledge and resources of private forest landowners and wood product manufacturers to the effort and unleash and working forest and conservation initiative at scale that would benefit forests and landowners across New York.

The Governor also called for DEC and NYSERDA to study and analyze the benefits of a Clean Transportation Standard in New York State. ESFPA has been participating in a Clean Fuel Coalition for over three years and we already **support bi-partisan legislation (A. 964-A) which is ready to implement a Clean Fuel Standard for New York** that will immediately reduce Greenhouse Gas Emissions, provide direct health benefits and put New York on a transportation fuel trajectory to meet our climate act objectives. Enough study, time for action!

Grow New York's Bioeconomy

Governor Hochul has started to articulate an effort to grow New York's bioeconomy by developing an agenda that will leverage existing opportunities to develop bio-production within the agriculture and forestry sectors. As noted above we see this articulated in the Environmental Protection Fund through the Wood Products Development Council and the Climate and Applied Forestry Research Institute. We do, however see the need to have these programs funded at a much larger scale. For fiscal year 2024-25 we are suggesting increasing these program funds to: Easements for Land Trusts \$2 million; Regenerate NY \$1 million; Wood Products Development Council \$400,000 (with \$100,000 to New York Logger Training, Inc.); and Community Forests \$1 million. Also increasing funds for CAFRI to \$1.5 million. We would encourage the Legislature to support this in their funding for the EPF.

ESFPA also supports the Governor's request for \$5 million in capital funding for Cornell University Industrial Hemp program for innovation and commercialization of biomaterial processing in the Agriculture and Markets Capital budget.

Labor

ESFPA is supporting the Governor's proposal to **sunset the State's COVID -19 Sick Leave Law** effective July 31, 2024.

ESFPA is opposing the governor's increasing **short-term disability leave benefits** from a current weekly maximum of 50% of the employees average weekly salary (AWW) to a maximum benefit of 67% of AWW.

ESFPA will be monitoring the Governor's directive for the Department of Labor to study **protection of outdoor workers from extreme weather hazards.** The Governor is directing DOL to develop and issue guidance for employers to ensure safety of their workers in extreme heat, poor air quality, and extreme precipitation.

Extended Producer Responsibility and Packaging Reduction Legislation

For over five years now ESFPA has been engaged in the process of dealing with proposals for Extended Producer Responsibility (EPR) and Packaging Reduction programs and we have consistently been putting forth a position that encourages practicality, collaboration, and effectiveness in addressing the alleged problems. New York has over thirty years of managing solid waste and we certainly have problems, but these should not be insurmountable, and they cannot be addressed merely by shifting responsibilities.

To this end we were pleased to see in the amended version of A5322-A/S. 4246-A that non-packaging paper was excluded which we would like to believe was a recognition of the unique characteristics of paper in regard to the need for high quality printing papers, paper has an incredibly high recovery and recycling rate at 68%, the fact that paper is not infinitely recyclable, and that new fibers are constantly needed to enter the supply chain. A perfect example of a circular economy.

This also leads to our point that EPR across covered products should be driven by a comprehensive Needs Assessment which would drive rates and dates, post-consumer markets and reuse and refill requirements since these will vary considerably by product. One-size fits all solutions are doomed to fail and create more problems than solutions.

We also need to admit that the responsibility for EPR falls not on anyone responsible party and that state and local governments, consumers, retailers, and producers all have responsibilities in the ultimate solutions and the costs associated with them. At the end of the day this is a problem that needs to be fixed and in New York we have long standing structures in place in managing solid waste that all of us have a role in and EPR is no different.

In looking at the EPR proposals before us we'd like to highlight some of the impracticalities that we feel need toto be addressed:

- Lack of Manufacturer and Producer Input In the proposals before us the Producer Responsibility Organizations have little if no input from manufacturers or producers. In one instance, DEC could either directly undertake the responsibilities of the PRO or designate a single PRO without any input from manufacturers or producers. In many instance producers have the most knowledge of existing markets for recycling as it is already part of their business model, and we should not be so quick to dismiss their knowledge. They also have the most direct knowledge of packaging integrity.
- Unrealistic Recycling and Source Reduction Goals Mandatory rates, dates and material reduction goals are not consistent with other states nor based on successful product programs.

Thes goals do not take into consideration the significant historical progress or lack there of that producers have made by product category. Compliance on mandated rates and dates is by producer and not by product type. A more balanced and achievable program should be based across a product category, particularly when it comes to post-secondary recycled content. Mandated source reduction goals also do not allow for individual product growth.

- Mandated Reusable/Refillable Packaging Expenses for reusable/refillable packaging are to be borne by all producers rather than producers of reusable/refillable packaging. Cross subsidization here or in any aspect of EPR is both inequitable and doomed to fail. The institution of a distribution, recovery and collection system of reusable/refillable packaging system seems fundamentally impractical and counterintuitive to traditional packaging and marketing of products across categories. For example, all milk bottles would have to be standardized in style, color and sizes which would seem impossible and extremely limiting.
- Unrealistic Toxic Chemical Bans. Prohibitions on certain toxic substances and materials leave no provision for "de minimis" chemical presence in packaging nor reflect the reality of widespread chemical presence in natural materials. Language on "intentionally added for a specific purpose" should also be included in these provisions.
- **Disposal Costs.** In various proposals there are inferences that manufacturers/producers of packaging will be responsible for the costs associated with disposal and end-of-life costs associated with covered products. This would add significantly to the costs of an EPR program and will make it virtually impossible to segregate other disposal costs in the waste stream.
- Immense Data Burdens. Finally, the massive and unique data/reporting burdens of these legislation add significant costs and go well beyond those of any other state or nation. We must have reasonable reporting requirements which integrate with on the book solid waste reporting requirements.

These impracticalities make provisions of the EPR proposals unworkable not just for the business community but everyone and we can do better. There are solutions ranging from product specific EPRs for difficult to recover and recycle products to broader EPR proposals that can be deployed as well as changes to New York's existing Solid Waste Management Statutes that could significantly address the challenges we face. We are prepared to work on this with you.

For Further Information Contact:

John K. Bartow, Jr.
Executive Director
Empire State Forest Products Association
47 Van Alstyne Dr.
Rensselaer, NY 12144
Office: (518)463-1297

Cell: (518)573-1441
jbartow@esfpa.org
www.esfpa.org