

## Environmental Advocates NY's Fiscal Year 2026 Executive Budget Testimony

Joint Legislative Budget Hearing, Senate Finance and Assembly Ways and Means Committees

January 28, 2025

Thank you Chair Krueger, Chair Pretlow, Chair Harckham, Chair Glick, and members of the Senate Finance and Assembly Ways and Means committees for the opportunity to weigh in on Governor Hochul's FY 2026 Executive Budget.

Environmental Advocates NY's mission is to protect our air, land, water and wildlife and the health of all New Yorkers. Based in Albany, we monitor state government, evaluate proposed laws, and champion policies and practices that will ensure the responsible stewardship of our environment.

## **Testimony Overview**

In our testimony, Environmental Advocates NY covers:

- Opposition to Governor Hochul's Cap & Invest delay,
- Inadequacy of Governor Hochul's Sustainable Future Program,
- Call to invest **\$600 million in the Clean Water Infrastructure Act**, including line item allocations for each CWIA program funded through this total, including \$100 million for lead service line replacement,
- Call to provide at least 35% of CWIA funds to DEC-designated Disadvantaged Communities (DACs),
- Strong support for the Governor's proposed New York's Private Well Testing and Treatment Program,
  - Call to fund the Governor's New York's Private Well Testing and Treatment Program with a \$15 million line item in the Clean Water Infrastructure Act Fund,
  - Call to tighten the Private Well Testing and Treatment Program by identifying emerging contaminants,
- Call to enact comprehensive legislation to ban PFAS in products.
  - Call to pass legislation banning PFAS in consumer products (<u>S.187</u>), menstrual products (<u>S.1548/A.1502</u>) and personal care products (<u>S.2057/A.2054</u>).
- Support for a \$500 million Environmental Protection Fund,

- Call to **modernize the state land acquisition process** and shift to allowing the use of title insurance to expedite acquisition,
- Support for reauthorizing the State Superfund law and adding natural resource damages to the program,
  - Call to expand the Superfund's natural resource damages process to also include cultural resource damage assessments,
- Support for increased staff levels at the Department of Environmental Conservation and Department of Health,
- Support for **NY HEAT**,
- Call to expand efforts to reduce solid waste,
- Support for further clean transportation.

## **Righting the Course on Climate**

Governor Hochul's recent decision to "delay" the Cap and Invest program is not just a policy shift; it's an abdication of leadership at a time when the urgency of addressing the climate crisis has never been more pressing. By sidelining this program, Governor Hochul has chosen to ignore the overwhelming scientific consensus on the need for bold climate action, and instead put industry over the health and safety of New Yorkers.

Her failure to advance regulations disregards and violates §75-0109(2)(b) of the Climate Leadership and Community Protection Act, undermines years of work by her own state agencies, and leaves New York without the policies we need to significantly reduce greenhouse gas emissions or generate the necessary revenue to protect our communities from the devastating impacts of climate change.

Moreover, her recent decisions are an open defiance of the Legislature, which in 2019, passed the climate law that set New York on a path to reduce both climate pollution and toxic air contaminants, prioritize investments and pollution reduction in communities most burdened by economic inequality and racial injustice, and safeguard New Yorkers from the billions of dollars in damages, chronic health issues, and extreme weather that the climate crisis will inevitably bring.

At a time when our climate is increasingly unpredictable and storms are growing more destructive, changing course by further delaying a program five years in the making that would not only reduce New York's contribution to the crisis but also generate billions of dollars annually to protect our residents and economy is a profoundly irresponsible decision.

Governor Hochul can course-correct and direct her agencies to release the draft regulations, and we're calling on her to do just that. However, absent strong executive action, the legislature has an even more critical role to play in protecting our state from the havoc the climate crisis could wreak on our communities and economy. **Please join us in calling on the governor to release the** 

**regulations and read on for budgetary and legislative actions** you can take to move the state forward, even in the face of governmental incompetence.

#### What is the New York Cap-and-Invest Program?

Based on the information presented by DEC and NYSERDA, New York's Cap-and-Invest Program is a market-based, cap-and-trade approach to reducing greenhouse gas emissions, designed to help the state meet its comprehensive climate goals under the Climate Act.

The program establishes an economy-wide, state-wide cap on emissions, requires companies to purchase permits or "allowances" to pollute up to that cap, and allows businesses to trade emissions allowances. By pricing pollution, the program creates financial incentives to reduce pollution. If designed with a declining cap as proposed and augmented to add equity safeguards for Disadvantaged Communities, the program will be a critical tool for achieving the Climate Act's legally mandated greenhouse gas reduction goals while addressing affordability and equity concerns.

Revenues generated in New York are proposed to be reinvested to support disadvantaged communities, offset costs for households and small businesses, and fund decarbonization initiatives. According to the DEC, New York's Cap-and-Invest program is designed to leverage the lessons learned from similar programs both nationwide and globally. The state's draft program is modeled after the successful approach used in Washington State.

#### **Proven Impact in Other States**

Two other states, Washington and California, have implemented cap-and-trade programs, and Oregon has adopted a declining cap on greenhouse gas emissions.

California's program has raised \$28 billion over ten years, while simultaneously reducing greenhouse gas pollution. It has already reinvested \$11 billion in transit, community, and clean transportation projects, with an additional \$17 billion set to be allocated in the coming years.

Oregon's program officially launched in November 2024 after withstanding legal challenge and is designed to raise revenue while reducing greenhouse gases: a 50% reduction in greenhouse gas pollution by 2035 and a 90% reduction by 2050.

Washington's program is in its second year and was recently challenged by a ballot referendum in November 2024. The referendum to repeal the program was decisively defeated with 62% of the vote. Its quarterly auctions have generated \$2 billion to date.

#### Lost Revenue = Lost Opportunities

"Inaction is not a world that you can conceive. It's loss of economic prosperity, it's loss of livelihoods, it's people's health, it's life, et cetera... We can either invest in it

now and do it in a nice, orderly way. Or we can wait till it's disaster, and then it's chaos," Marisa Drew, chief sustainability officer of global bank Standard Chartered, in the *Business Times*.

In her 2022, 2023, 2024, and 2025 State of the State books, Governor Hochul has acknowledged the urgent need to act, pointing to the climate crisis as a present and serious danger to New Yorkers and our economy. As she has highlighted in her State of the State books:

- New York City is anticipated to see a 302% increase in average annual losses due to storm damage by 2053.
- More than 615,000 properties across the state are at risk of flooding, which is significantly more than the 376,000 properties accounted for in current Federal Emergency Management Agency (FEMA) flood maps.
- There is already upwards of \$176 billion in infrastructure at risk of damage from rising seas in New York City alone.
- Lead exposure, which can be exacerbated by climate-related events like flooding, results in approximately \$3.4 billion in societal costs for New York each year.
- New York State is expected to see more frequent and severe extreme heat events, with some areas experiencing 60 or more days each year with temperatures exceeding 90°F by 2050.
- An average of 350 people in New York City alone die prematurely each summer due to heat-related illnesses, which are exacerbated by climate change.
- Harmful algal blooms (HABs), which can be exacerbated by climate change, pose risks to human and animal health.
- By making buildings more energy efficient, New Yorkers could save billions of dollars in utility costs.

Not only do climate impacts have a devastating human toll on our communities, but they will also require substantial financial resources to address. Every day we delay investing in climate, the solutions become harder and more expensive to implement. That's where the invest side of Cap-and-Invest comes into play.

#### We're Being Played

Big businesses and fossil-fuel interests are attempting to corner the legislature and the governor by claiming that environmental and climate protections are too costly or will harm New Yorkers. They do this because they know that if they are held accountable for their pollution, they'll be forced to pay. What they conveniently overlook is that by failing to invest proactively in reducing greenhouse gas and air pollution, or in supporting communities to withstand the heat and storms, we're ultimately costing New Yorkers billions more.

The benefits of robust climate action and preparedness far outweigh the costs, especially when considering the magnitude of disasters driven by a less stable climate. By effectively utilizing the

"invest" side of cap-and-invest, New York State can also put more money in residents' pockets to help offset those costs.

- The <u>Climate Resiliency Report from the U.S. Chamber of Commerce, Allstate, and the U.S.</u> <u>Chamber of Commerce Foundation</u> demonstrated that investments in resilience and preparedness can substantially reduce the economic costs associated with disasters. The study revealed that each \$1 of investment in resilience and disaster preparedness reduces a community's economic costs after an event by \$7.
- According to the <u>Brookings Institute</u>, climate change is a major factor driving up home insurance costs, which most homeowners are required to have as a precondition of their mortgage. Prices have spiked by more than 13% nationwide (when adjusted for inflation). Insured losses—and thus insurance claims—from climate-related disasters are increasing, catastrophic weather events are <u>becoming</u> more frequent and more damaging as the climate changes, and as damages from extreme weather events become more salient, insurers are <u>investing</u> in better climate risk modeling which will drive prices up if insurers learn that they have been underestimating climate risk exposure. By investing in risk-reduction and resiliency, the state can help drive down these costs.
- Since 2022, each of the governor's State of the State addresses has highlighted the substantial and far-reaching costs of inaction on climate change, emphasizing its impact on both the environment and the health and economic well-being of New Yorkers. She has outlined the health, economic, environmental, and social costs involved. Clearly, she understands the stakes, yet she is now proposing to delay the very program that could have the most significant impact on reducing those costs.
- <u>A recent study by Resources for the Future shows</u> that a more robust Cap-and-Trade program will raise more revenue and actually allow the program to reduce the costs for New Yorkers more than a more modest program. That modelling showed that if done right, the average New Yorker could come out \$200-\$400 dollars ahead.

#### **One-Shot Appropriations Are Not Enough**

In her 2026 Executive Budget, Governor Hochul is proposing a \$1 billion appropriation, 'the Sustainable Future Program,' with spending spread over five years,for climate-related capital projects. However, under the pre-proposal and draft spending plan, and if done right, Cap-and-Invest would drive revenue to the Climate Action Fund to be split between consumer rebates, small business supports, and climate infrastructure investments.

Each of these accounts could drive dollars back to projects and programs that support community resiliency, pollution reduction, and consumer protections to help buffer against any additional costs that companies may try to pass along to consumers. The Climate Action Rebate alone was expected to drive more than <u>\$1 billion in annual cap-and-invest proceeds</u> directly to New Yorkers.

With a new administration in Washington, D.C.—one that is hostile to climate and environmental protections and has already cut support from the Inflation Reduction Act and other federal programs—this is exactly the wrong moment for New York to turn its back on a program that would invest in our communities, create jobs, and reduce pollution.

#### No Cap = Dirtier, More Dangerous Air

If a program like Cap-and-Invest is structured well, it will drive down greenhouse gas emissions, which in turn drives down air pollution in Disadvantaged Communities and neighborhoods statewide.

Greenhouse gases like methane and carbon dioxide are released by burning fossil fuels; the toxic air pollution that causes asthma, lung and heart disease, low birth weights, smog, and more is also released when fossil fuels are burned. When a policy drives down greenhouse gases by imposing a cap on how much can be released, that same policy will drive down toxic air pollution. When such a policy is crafted to drive down pollution even more aggressively in already overburdened communities–as New York's could and should be–it will bear even greater fruit for our neighbors who suffer from pollution's disproportionate impacts.

By ignoring the deadlines in the CLCPA, the governor is flouting the law and turning her back on the New Yorkers that need her the most.

#### **Extensive Public Comment**

Governor Hochul claims that her actions are responding to the need for additional 'transparency' and stakeholder input. In the 50+ years of Environmental Advocates NY's existence, we cannot point to a clearer public process than the one that our state agencies deployed to test ideas and receive feedback–even before draft regulations were issued. In fact, the process for creating the Cap-and-Invest Proposal began when the Legislature passed the CLCPA in 2019.

The CLCPA established a 22-member body known as the Climate Action Council, with over a third of its members appointed by the Senate and the Assembly. The Council was tasked with developing a scoping plan to outline the actions needed to meet the emission reduction targets set by the Climate Act. Released in 2022, the Scoping Plan recommended an economy-wide Cap-and-Invest program as the most cost-effective strategy for comprehensively achieving the CLCPA's goals of reducing both climate and air pollution.

The Council established advisory panels on transportation, energy intensive and trade-exposed industries, land-use and local government, energy efficiency and housing, power generation, and agriculture and forestry, as well as a Climate Justice Working Group and a Just Transition Working Group. Each advisory panel was chaired by the relevant agency head or their designee and composed of experts and stakeholders from across the state.

When the Council released the Scoping Plan, it held a six-month public comment period, hosted 11 public hearings across the state, and received over 35,000 written comments.

Following that, state agencies initiated a pre-proposal process to develop the Cap-and-Invest program. As part of this process, the state actively sought input from a wide range of stakeholders through public comments and a series of roundtable discussions. Agencies hosted webinars that included Q&A sessions and posed key questions for participants to consider, resulting in over 3,400 comments submitted—before any draft regulations were even released.

For Governor Hochul to not only delay further progress by at least a year, but also to blame that delay on a lack of transparency, is both disingenuous and an affront to the thousands stakeholders, agency staff, and New Yorkers who have participated in the process to date.

#### The Legislature Can Lead Us Forward

If the Governor continues down this path, she is delaying wholescale climate action and revenue generation. The Legislature led on Climate Superfund last year, for which we are incredibly grateful, that revenue is years away, it's a 'lookback program' to address past costs, and will not require companies to reduce climate or air pollution. It is an important, impactful, and necessary step forward, but it does not supplant the need for an economy-wide pollution reduction program.

Even in the face of the Governor's delay, the State Legislature can move us forward. Environmental Advocates NY urges the legislature to commit to leading on climate by taking the following steps:

- Call on Governor Hochul to release the draft regulations and move forward with a public comment period on the Cap-and-Invest program.
- Apply the governor's proposed \$1 billion for climate action to projects and programs, but on an expedited timeline-direct state agencies to commit the funding in the next two years, and add additional contracting and program staff at the agencies to fulfill the commitment. Ensure that at least 40% of the funding is invested in disadvantaged communities that are being hit first and worst by the climate crisis, that gold-star labor standards are attached to the dollars, and that some of the funding goes to investing in natural climate solutions like wetlands restoration and habitat protection.
- Pass the NY HEAT Act to drive down fossil fuel use and cap low-income New Yorker's energy bills at 6% of household income.
- Pass S3389/A7979-A of 2024 to repeal over \$300 million in annual state tax giveaways that encourage the use of fossil fuels.
- Pass the Gap Fund (S3315/A2101 of 2025). Much of New York's housing stock is older and needs repairs before work can be done to weatherize and increase energy efficiency. Low to moderate income households can get state funding for weatherizing and efficiency work, but no support exists for basic and prerequisite repairs that will make buildings healthier,

weatherizing-ready, more efficient, and more comfortable. The Green Affordable Pre-Electrification (GAP) Fund would close this gap.

## Protecting Clean Water from Source to Tap

New York has an enormous and growing need to fix our pipes and prevent and eliminate water contamination. The US Environmental Protection Agency (EPA) has estimated that a <u>\$59 billion</u> investment is needed to upgrade New York's wastewater infrastructure and a <u>\$35 billion</u> investment is needed to upgrade our drinking water infrastructure, for a total need of \$94 billion.

Our aging and failing infrastructure causes concrete harm to public health and drinking water quality. For example, in December 2024, the Village of Whitehall in Washington County <u>lost access to water</u> due to a combination of historic drought conditions, leaking pipes, and water main breaks which prevented water from flowing from the village's drinking water source to residents' homes. The village was forced to provide emergency bottled water for a period of time, and even once water service was restored residents had to boil their water to avoid ingesting harmful pathogens.

On top of these challenges, water utilities will soon need to comply with two new federal regulations that will significantly increase the need for clean water funding. In 2024, EPA finalized their Lead and Copper Rule Improvements (LCRI) requiring water utilities to replace 100% of New York's estimated 500,000 lead service lines by 2037, an initiative that may cost upwards of \$5 billion. EPA also finalized new Maximum Contaminant Levels (MCLs) for PFOA, PFOS, and other PFAS chemicals that will require an estimated 296 water utilities across the state to install new treatment technology or find a new water source to eliminate these "forever chemicals" in drinking water. Without state investment to implement both EPA's LCRI and PFAS MCLs, significant costs will fall on water utilities, resulting in rising water rates that strain the affordability of communities across the state.

#### \$600 Million for the Clean Water Infrastructure Act

We urge the State Legislature to invest \$600 million in the Clean Water Infrastructure Act (CWIA). We also urge the inclusion of line item allocations for each CWIA program funded through this total, including \$100 million for lead service line replacement. Finally, we request that state agencies be required to provide at least 35% of CWIA funds to DEC-designated Disadvantaged Communities (DACs).

Since 2017, the Legislature and Governor have invested a historic \$5.5 billion into the CWIA, a financial commitment to protecting clean water that no other state has matched. The program funds traditional drinking water and wastewater infrastructure projects as well as land acquisition for source water protection, remediation of toxic Superfund sites, reduction of road salt contamination, and more.

The Governor's proposed budget includes \$500 million for the CWIA, maintaining the same level of annual investment that the CWIA has received since 2019. While we are pleased to see the Governor's commitment to continuing investments in clean water this year, more funding for the CWIA is needed to meet the enormous need to protect water quality and public health.

#### Untapped Potential: An Analysis of CWIA Spending

Over the last several years, EANY has worked with Senator Krueger to collect and evaluate CWIA spending data from DEC, the Environmental Facilities Corporation (EFC), Department of Health (DOH), and the Department of Agriculture and Markets (AGM). In February 2024, we published the <u>first-ever statewide analysis</u> of CWIA spending between 2017 and 2023. Next month, EANY will publish an update to our last report with the latest CWIA spending data from 2024. We have adapted some of the data analysis from that upcoming report for this testimony.

Our analysis finds that the CWIA remains a wildly popular and successful program. Thanks to the CWIA, New York has made significant progress in protecting clean water over the last year:

| Since 2017:                                 | Since EANY's Last Report:                   |  |
|---|---|--|
| \$4.4 Billion                               | \$1 billion                                 |  |
| CWIA funds awarded or spent                 | CWIA funds awarded or spent                 |  |
| 2,500                                       | 350   |  |
| Clean water projects funded                 | Clean water projects funded                 |  |
| 57%   | 71%   |  |
| Percentage of awards or spending benefiting | Percentage of awards or spending benefiting |  |
| environmental justice communities           | environmental justice communities           |  |

Figure 1

#### Accelerated CWIA Spending In 2024

In 2024, state agencies took full advantage of the CWIA funds appropriated by the State Legislature. As seen in Figure 1, the Governor's administration awarded far more over the last year than the CWIA's \$500 million annual appropriation as well as advocates' requested \$600 million appropriation. State agencies could move greater amounts of money out the door if state leaders provide them with additional resources.

To achieve this, the Governor's administration enhanced spending by existing CWIA programs and created several new programs. For example, EFC awarded <u>\$435 million</u> in November 2024 through the Water Infrastructure Improvement Act – Intermunicipal Grants program (WIIA-IMG) after initially announcing in January 2024 that <u>\$325 million</u> would be available. EFC also increased the percentage of grant funding provided to WIIA-IMG projects in small and rural communities from 25% to 50%,

providing more money per award to those projects and reducing the financial burden on communities.

In addition, Governor Hochul created a new initiative to forgive loans provided through the federal Bipartisan Infrastructure Law (BIL) for lead service line replacement. In September 2024, the Governor awarded close to <u>\$90 million</u> in CWIA grants to forgive BIL loans to disadvantaged communities like Troy, Rochester, and Poughkeepsie, helping these communities get the lead out of drinking water more affordably without putting pressure on water rates.

Thanks to this accelerated spending, the proportion of unspent CWIA funds shrunk over the last year. 80% of appropriated CWIA funds have now been awarded or spent, compared to 68% at the time of our last report (Figure 2). State agencies will almost certainly continue drawing down unspent CWIA funds in the years to come.



Figure 2

#### Shovel-Ready Projects Left Waiting in the Wings

Despite the accelerated spending in 2024, the number of CWIA awards made last year did not come close to meeting the demand demonstrated by local governments.

For example, the demand for EFC's WIIA-IMG grants is so overwhelming that the program has been oversubscribed every year. In 2024, municipalities requested \$1.45 billion in grants for 441 projects, the highest amount requested in the program's nine year history (Figure 3).



Figure 3

Hundreds of shovel-ready WIIA-IMG projects were left waiting in the wings in 2024. Local governments submitted 271 eligible applications, requesting \$744 million, that did not receive the funding they needed. Each of these unawarded applications represents a missed opportunity to protect clean water.

To convey the magnitude of this unmet demand, if the Governor's administration had awarded this additional \$774 million to WIIA-IMG projects in 2024, it would have nearly eliminated the remaining balance of unspent CWIA funds and would have nearly doubled the amount of money that all CWIA programs awarded in calendar year 2024.

If the State Legislature increases the CWIA's annual appropriation to \$600 million, every penny of that funding could be put to good use immediately. With the Trump administration introducing new threats to water quality in New York, now is the time to grow our state's investments to protect public health, create thousands of good-paying union jobs, and keep water bills affordable.

#### Private Well Testing and Treatment

EANY strongly supports the Governor's proposal to create a new program for testing and remediating emerging contaminants in private wells using Clean Water Infrastructure Act funds. Every New Yorker deserves clean water, whether they live in a big city or small town.

The Scale of Private Well Contamination in New York

DOH estimates that there are <u>800,000 private wells</u> across the state providing drinking water to an estimated two million New Yorkers. These New Yorkers, however, lack the protections afforded to New Yorkers served by public water systems. There are no regular testing requirements for private well water and few resources available to help homeowners remediate any contamination present. Many New Yorkers may be exposed to dangerous pollution when they turn on the tap and not even know it, and even more may know they are exposed but are financially unable to address the problem.

Emerging contaminants, including PFAS chemicals and 1,4-dioxane, are exacerbating threats to private well owners' health. PFAS in particular have contaminated private wells from Hoosick Falls to Poestenkill and from Westchester County to Long Island. DEC's <u>Inactive Landfill Initiative</u>, which investigates closed solid waste landfills for potential contamination of surrounding waters, has tested over 1,300 private wells since 2017 and detected PFOA and/or PFOS in 541 of those wells (Figure 4).

| Table 2.1: Drinking Water Supply Sampling<br>Summary  |      |  |  |  |
|---|------|--|--|--|
| Total Water Supply Sources Solicited  | 2753 |  |  |  |
| Water Supply Sources Sampled*   | 1338 |  |  |  |
| PFOA and PFOS Not Detected  | 794  |  |  |  |
| PFOA and PFOS Less Than 10 ppt  | 318  |  |  |  |
| PFOA and/or PFOS Greater Than 10 ppt  | 223  |  |  |  |
| 1,4 Dioxane Not Detected  | 319  |  |  |  |
| 1,4-Dioxane Detected, Less Than 1 ppb   | 212  |  |  |  |
| 1,4-Dioxane Greater Than 1 ppb  | 29   |  |  |  |
| * - Based on results of groundwater investigations at each landfill, both PFOA/PFOS and 1,4 dioxane were not sampled at all locations |      |  |  |  |

Figure 4

In addition, the US Geological Survey (USGS) published a <u>landmark analysis</u> in October 2024 predicting the number of Americans at risk of exposure to PFAS in groundwater. Figure 5 displays the probability of PFAS in New York's groundwater at a depth of domestic drinking water supplies, with blue representing low probability of PFAS and red representing high probability of PFAS. Critically, USGS found that 1 million New Yorker private well users, or 56% of total private well users, are predicted to be affected by some level of PFAS in their private well water.



Figure 5

#### Current State Efforts to Address PFAS in Private Wells

Since 2016, DEC and DOH have developed a policy to provide financial assistance to private well owners facing PFOA or PFOS contamination, but only in "areas of interest" concentrated around a site where DEC or DOH is already active, including State Superfund sites, Brownfield Cleanup and Spill sites, public water system MCL exceedances, and inactive landfills. DEC has the authority to remediate private wells at these sites due to its designation of PFOA and PFOS as <u>state hazardous</u> <u>substances</u> and via <u>Article 27</u>, <u>Title 12 of the Environmental Conservation Law.</u>

If a private well sampling result in an area of interest exceeds New York's MCLs of 10 ppt each for PFOA or PFOS, DOH may make a determination that the private well owner should be offered an alternative water supply at no charge. If DOH makes a positive determination, DEC will coordinate with the property owner to either hook up to a nearby public water supply or install a Point of Entry Treatment System (POET system).

According to data provided to Senator Harckham's office, DEC had tested approximately 4,450 private wells for PFAS through March 2023. More locations were offered sampling, but not every owner participated. Through September 2023, 2,088 treatment systems have been installed statewide and are currently being monitored and maintained by DEC. 261 public water system connections have also been funded and completed by DEC.

The estimated cost to sample for PFAS ranges from \$300-\$350. The estimated cost to install and test a filtration system is approximately \$5,000, with annual monitoring and maintenance costs of approximately \$1,400 per year. The cost to hook up to a public water system can vary dramatically, from a few thousand dollars to more than \$20,000, based on landscaping, distance of connection, geology, and other factors.

Roughly \$15 million has been spent on private well treatment and hookups in areas of interest, excluding costs recovered from responsible parties, with funding provided through the Hazardous Waste Cleanup Account and Clean Water Infrastructure Act.

#### Recommendations for New York's Private Well Testing and Treatment Program

There are few details in the Governor's proposal in terms of how much funding her new private well testing and treatment program will receive and the details of its implementation. To ensure that New York's program is as robust and health-protective as possible, we recommend that the Governor and State Legislature incorporate the following policies into the program:

- The program should receive at least \$15 million as a line item through the Clean Water Infrastructure Act. It is critical for this program to receive enough funding to make a meaningful impact on private well water quality. A \$15 million line item appropriation would double the amount of money state agencies have used on private well testing and treatment to date, helping them reach many more New Yorkers.
- The program should define what "emerging contaminants" are covered and what contamination levels will trigger state assistance. This will help New Yorkers eliminate a wide array of emerging contaminants in their drinking water. The program should at least cover 1,4-dioxane and any PFAS chemical with an MCL set by DOH or US EPA (PFOA, PFOS, PFNA, PFHxS, and GenX).

Importantly, the "contamination trigger levels" for state assistance should be set no higher than the most recent MCL for a contaminant. For example, any New Yorker with more than 4 ppt of PFOA or PFOS in their drinking water should qualify for support under the program, not just those New Yorkers exposed to more than 10 ppt of PFOA or PFOS. In 2023, DEC estimated that approximately 590 of the 4,450 wells tested since 2016 have PFOA or PFOS levels between 4 and 10 ppt. This contamination poses a serious health threat to the New Yorkers served by these wells.

- 3. The program should cover the full costs of either treatment installation and maintenance or hookup to a public water system. We applaud DEC and DOH for covering the full cost of treatment installation and maintenance or hookup to a public water system in their private well remediation efforts to date, and we urge that this policy be continued.
- 4. The program should not be geographically restricted. Any New Yorker exposed to dangerous pollution in their well water, no matter where they live, should be eligible for assistance under the program, not just those New Yorkers in state agencies' "areas of interest."

#### **Ban PFAS in Products**

To prevent further PFAS contamination of private wells and other drinking water sources, New York must enact comprehensive legislation to ban these forever chemicals in products. **We urge the State Legislature to pass legislation banning PFAS in consumer products (S.187), menstrual products (S.1548/A.1502) and personal care products (S.2057/A.2054).** Turning off the tap on PFAS will <u>save</u> millions of dollars in environmental cleanup and health care costs by ensuring these toxic chemicals do not enter our water in the first place.

New York took an important step in 2019 to ban the use of PFAS in firefighting foam as a response to the continuously <u>increasing water contamination risks</u> and impacts to firefighters who regularly use and are exposed to the toxic chemicals prevalent within these foams. However, New York firefighters still face the threat of exposure through the PFAS chemicals used in their <u>personal protective</u> equipment (PPE). Absorption of PFAS can occur through <u>inhalation</u>, <u>ingestion or dermal contact</u>. The equipment designed to safeguard those who risk their lives in the line of duty should not itself pose a risk to their health. Environmental Advocates NY urges the Executive and Legislature to ensure that any policy in the final budget ensures firefighters are not only protected from PFAS chemicals but also any other chemicals used as substitutes that will cause harm to firefighters and the environment.

## **Resilient Farms, Land, and Environmental Funding**

Investment in land conservation, climate-resilient farming, land acquisition, and environmental stewardship is crucial for safeguarding New York's future. As protecting and restoring natural landscapes helps mitigate flood risks, protect biodiversity, and sequester carbon. Climate-resilient farming practices ensure that New York's agricultural sector can adapt to shifting weather patterns, preserving local food systems and rural economies. Strategic land acquisition supports habitat protection and creates space for climate adaptation efforts. These investments not only preserve the state's natural beauty and vital ecosystems but also strengthen its economy by creating green jobs, improving public health, and enhancing resilience against extreme weather. In a rapidly changing world, proactive investment in these areas is essential for building a sustainable, thriving New York for generations to come.

#### **Environmental Protection Fund (EPF)**

We thank members of both houses for your continued support for the Environmental Protection fund. The proposed FY26 Executive Budget maintains funding at \$400 million. **We ask legislators to increase this funding to \$500 million.** EPF funds vital services in climate change mitigation and adaptation, solid waste recycling, parks, forest reserves, and land stewardship, and more.

The proposed Executive Budget has grown by \$10 billion dollars this year, and environmental funding through the EPF should also continue to grow as our state faces unprecedented challenges. As we consider the concurrent crises of affordability and climate change, investing further in the EPF makes

good financial sense. This funding supports 350,000 jobs across New York State, and industries supported by the EPF add \$40 billion dollars to our economy annually.

If we do not increase funding to meet the challenges and moment we are in, we risk not meeting our CLCPA goals, invaluable biodiversity, habitat, and ecosystems in our forest reserves, capacity within our solid waste recycling system, and resilience within New York State farmland.

#### **Climate Resilient Farms**

Within the EPF, we'd like to highlight and thank the Governor for maintaining funding for the Climate Resilient Farming (CRF) program at \$15.25 million. This program funds essential on-farm projects that improve soil health, protect our water from nutrient runoff, and sequester carbon. Last year, the CRF program received a boost of <u>\$17 million from USDA's Partnerships for Climate Smart Commodities program</u>. However, under the new Trump administration, this funding has now been paused indefinitely.

Farmers across New York State have come out in droves for years to apply for this funding and as a result it has been oversubscribed for years. In 2024, CRF applications from farmers totalled \$49 million. In light of the step back from the federal government, massive demand from New York's farms, and increasing pressure on farms from climate change, we ask the legislature to increase funding to meet the needs of New York's farms.

#### State Land Acquisition

We are calling on the Governor and Legislature to **modernize the state land acquisition process and shift to allowing the use of title insurance to expedite acquisition**. Requiring Attorney General approval and review of title for land acquisition creates costs and delays which allows for less parkland, fewer protected watersheds, and less open space conservation. Over 100,000 acres are waiting to be purchased just by DEC, and a sale takes on average five years. This delay is unnecessary, with New York lagging behind all forty-nine other states and the federal government in process for title review.

As Governor Hochul had a section in her State of the State book planning to "moderniz[e] the use of title insurance to expedite land acquisitions" we had hoped to see a fix to this issue in her budget. Sadly it was not. If a solution is not included in the Governor's 30-day amendments, we ask the legislature to include one in your one house bills.

#### **Reauthorizing the State's Superfund Program**

We are pleased to see the reauthorization of the State Superfund Program, ensuring that the cleanup of inactive hazardous waste disposal sites across the state will continue. The state should consistently commit to making polluters pay and making polluters accountable. We further commend

the prioritization of disadvantaged communities and including natural resource damages as part of the state's Superfund program.

Beyond reauthorizing the program, we urge New York State to include damages to cultural resources in the natural resources damage assessment. When subsistence anglers and Indigenous communities, medicine gatherers, or farmers are impacted by Superfund sites, the costs of these impacts—both environmental and cultural—should be fully accounted for. The loss of access to lands, waters, and resources is not just an environmental issue but a cultural one, and those responsible for the pollution should be held accountable for the full scope of the harm.

Broadly, we support changes to the program that allow the state to ensure more efficient and effective cleanups, and hold responsible parties liable and accountable.

#### Staffing to Support Human Health and the Environment

In the last five years the demands on both the Department of Environmental Conservation and the Department of Health's Center for Environmental Health have increased dramatically. The Climate Leadership and Community Protection Act, Maximum Contaminant Levels for PFAS and other contaminants, Cumulative Impacts, cryptocurrency, wetlands, and the routine ongoing demands of permitting and environmental review have pushed these agencies to their capacity. It is a tremendous challenge to implement new climate and health laws and regulations, while still maintaining the existing workload with the same number of staff. We have not set our agencies up for success.

While DEC has restored its fill level to its 2010 mark, it is inadequate to think the same staffing level is adequate given their significantly expanded portfolio of the last 15 years. We must provide more staff across all divisions, and continue programs that help advance hiring practices, such as NY HELPS.

Figure 6:

| Year | Fill Level | Year | Fill Level |
|------|------------|------|------------|
| 1999 | 3903       | 2012 | 2983       |
| 2000 | 3904       | 2013 | 2916       |
| 2001 | 3743       | 2014 | 2917       |
| 2002 | 3720       | 2015 | 2946       |
| 2003 | 3301       | 2016 | 2946       |

DEC Staffing (Source: NYS DOB)

| Year | Fill Level | Year | Fill Level |
|------|------------|------|------------|
| 1999 | 3903       | 2012 | 2983       |
| 2004 | 3345       | 2017 | 2946       |
| 2005 | 3352       | 2018 | 2945       |
| 2006 | 3378       | 2019 | 3115       |
| 2007 | 3480       | 2020 | 3162       |
| 2008 | 3752       | 2021 | 2940       |
| 2009 | 3506       | 2022 | 3108       |
| 2010 | 3314       | 2023 | 3331       |
| 2011 | 3003       | 2024 | 3313       |

DOH's Center of Environmental Health is needed as we address drinking water impacts caused by contamination and climate change. Additional staff to advance regulations in a timely manner and support the private wells program will be critical to ensuring access to clean drinking water.

# Healthy Vibrant Communities for All

## NY HEAT Act

Environmental Advocates NY were disappointed that elements of the NY HEAT Act, which were included in the FY2025 Executive Budget, were ultimately removed from the final FY 2025 budget, and did not make it into the FY 2026 Executive Budget.

We **strongly support the full passage of the NY HEAT Act** by including it in the final 2026 Article VII language. This legislation gives the Public Service Commission the authority and direction needed to align gas utility regulation and system planning with the Climate Leadership and Community Protection Act (CLCPA) emission reduction and climate justice mandates.

A main focus of this legislation is the removal of the "100 foot rule" which currently requires utilities to build a gas pipeline to any building or home within 100 feet of an existing gas main at no cost to the consumer; thus driving the expansion of gas systems. Furthermore the Commission would be required to adopt rules and develop a statewide gas service transition plan that is consistent with decreasing gas reliance and, where appropriate, decommissioning gas systems. These changes are critical to remove preference for fossil fuels within New York State Law.

Everyday fossil fuel use from cooking, heating homes and water is responsible for 30% of greenhouse gas emissions every year. These activities are essential, but existing law limits consumers' ability to access cleaner energy. At the same time, New York State gas customers are <u>facing double-digit rate</u> <u>hikes</u>, <u>extreme inaccuracies in their bill statements</u>, and degradation of indoor air quality caused by the use of gas. <u>Data</u> has shown that the typical New York household creates approximately 7.0 tons of GHGs from household activities like the ones listed above, with natural gas use as the leading contributor.

Furthermore, combustion pollutants are produced when using gas appliances such as water heaters, furnaces and gas fireplaces. <u>These resulting air pollutants</u> (carbon monoxide (CO)), nitrogen oxides (NOx, including nitrogen dioxide (NO2)), particulate matter (PM), and formaldehyde), have been linked to numerous acute and chronic health effects, including respiratory illness, cardiovascular disease, and premature death. These gas-based environmental health impacts disproportionately affect <u>low-income individuals</u>, who typically <u>live in smaller spaces</u>, and often are renters with <u>very limited control</u> over the unit appliances or maintenance, which can result in elevated <u>pollutant</u> <u>concentrations</u>.

This bill offers protections to low-to-moderate income customers from bearing energy burdens greater than 6% of their income, including those burdens imposed by the cost to purchase and operate electric equipment.

A family is considered <u>"energy-cost burdened"</u> when they pay more than 6% of their income on energy bills. In NYC, <u>approximately 25% of New York City households (1,859,460)</u> met the criteria of being "energy burdened". The same 2020 research found 32% of Black households (467,072) and 33% of Hispanic households (509,685) in the greater New York City metropolitan area are classed as experiencing "energy burden". Finally, low-income (9.3%), low-income multifamily households (8.0%), and older adults (4.2%) experienced the largest median energy burdens across New York City.

We strongly urge the Legislature to include all the provisions of the NY HEAT Act, including the "100 foot rule", timelines for PSC and gas utility actions, household energy burden limits, and language that captures all the climate justice and emissions provisions of the CLCPA, in this year's budget. The FY 2026 budget must reflect measures that will protect and reduce costs for hard working taxpayers, and the NY HEAT Act offers a strong opportunity to address this growing crisis. Failure to include all these elements is a failure to commit to protecting New Yorkers, especially the <u>1.2 million</u> New Yorkers who were found to be struggling to pay their utility bills.

#### Solid Waste Management

Environmental Advocates NY were disappointed to see the level of the commitment from the Executive regarding state government waste management. The proposal to expand "<u>waste diversion</u>

efforts at Empire State Plaza with new signage, strategically placed bins, pre-consumer food waste collection, and waste audits" falls short in addressing the broader, systemic issues required to align with the strong goals set in Executive Order 22. While these efforts are at least a step in the right direction, they are the bare minimum of what the state should be doing to lead by example for its residents and employees.

Not only is this years behind where we should be, the plan focuses solely on what happens to waste after it's generated, ignoring the critical need to reduce waste at the source, which includes limiting single-use plastics, encouraging reusable materials, and reforming procurement policies to prioritize sustainability at its core. Emissions from the waste sector make up <u>12% of the state's gross</u> emissions, with the largest source of emissions of this 12% coming from landfills.

As one of America's most progressive states, and as required in Executive Order 22, New York State Government should be leading by example in their efforts to increase sustainability and reduce waste and GHG emissions.

From the information available, this plan largely focuses on the end tail of the circular economy framework, resulting in limited action on addressing upstream issues such as waste generation and finding alternative uses for products, thereby failing to truly align with the concept of a circular economy. Any food waste efforts must take a comprehensive approach by addressing both pre- and post-consumer food waste, and prevent the waste from occurring to begin with. While we urge these measures to be implemented, the state must increase its leadership.

Figure 7:



#### Clean Transportation/ EV Transition and Infrastructure

Environmental Advocates NY commends the Governor for upholding her promise of implementing congestion pricing in New York City. However, holes still exist in the MTA's funding sources, meaning chronic system failures and delays, much needed accessibility renovations, and expansion of routes will continue to be in question.

As of 2019, the transportation sector has been responsible for <u>28% of the state's greenhouse gas</u> <u>emissions of which road transportation accounts for 59% of emissions in this sector</u> the legislature must take action to promote more sustainable transportation methods. New York has already made the commitments to reducing these emissions through numerous initiatives but more funding is needed. In October 2013, the State adopted the light-duty zero-emission vehicles ("EV") mandate, requiring 850,000 light-duty EV sales in New York by 2025, of which we have met approximately <u>32%</u> <u>of this target</u> as of January 2, 2025.

Additionally, in September 2021, Governor Hochul signed the Advanced Clean Truck Rule into Law. New York Power Agency (NYPA) testified in September 2024 and stated that "charging infrastructure, specifically infrastructure that can quickly charge a vehicle in less than 30 minutes, must be built out at regular intervals across the entire state and ahead of the adoption of EVs in New York" in order to address 1) "range anxiety", which was noted as one of the top reasons consumers did not purchase an EV and 2).

As of January 2025, there are <u>13,185 Level 2 chargers</u>, and 2,052 DC Fast Chargers across New York State. While we appreciate that New York is a leader on chargers, realistically this is not enough. Research has found that the NYS government and private investors will need to cumulatively invest an average of \$52 million per year over the same time period to build out a publicly accessible charging network across the state to serve the EV medium- high duty truck fleet, which does not even take into account the charging needs of every New Yorkers. In order to achieve an 85% reduction in greenhouse gas emissions by 2050, as mandated by the CLCPA, more resources must be dedicated to carbon-free transportation options.

We **support the reappropriation of \$17,000,000 to electrify state government light-duty vehicles**, but we must recognize that substantially more funding is needed and we must include medium-heavy duty vehicles if we are to meet the states targets for electrification and emission reductions.

In addition to the evident health and environmental benefits that come with reductions in air pollution and meeting state climate change mandates, transitioning to EVs will bring significant economic benefits to households, businesses, and governments. Research has proven that EV's are more efficient than their gas alternatives, costing approximately <u>60% less to fuel</u>. With the federal government eliminating IRA funding and their EV goals, states like New York State must lead by example for state procurement and transitioning to a fully electric fleet.

## Conclusion

Thank you again for your time and considering our testimony. If you have any questions, please don't hesitate to contact Katie McNamara at <u>kmcnamara@eany.org</u> or Katherine Nadeau at knadeau@eany.org