

195 New Karner Road Suite 200 Albany, NY 12205 518-690-7850 www.nature.org/ny @nature_ny

Testimony of The Nature Conservancy in New York Before the Joint Legislative Hearing on the Environmental Conservation Portions of the Executive Proposed Budget for New York State Fiscal Year 2025-26 January 28, 2025

My name is Jessica Ottney Mahar, and I am the New York Policy and Strategy Director for The Nature Conservancy. On behalf of our tens of thousands New York supporters from every region of the state, thank you Chairs Krueger, Pretlow, Harckham and Glick, as well as other members who have joined the hearing today, for the opportunity to testify regarding the Executive Budget Proposal for State Fiscal Year 2025-26 (FY25-26).

The Nature Conservancy in New York is a division of the world's largest conservation organization. Our mission is to conserve the lands and waters on which all life depends. We work in all 50 states as well as in 79 countries and territories to address the climate crisis and unprecedented loss of nature. We do this by protecting land and water, tackling climate change and providing food and water sustainably. Our goal is a livable climate, thriving nature and healthy communities – here in New York and around the world

We have a collaborative, science-driven approach to environmental problem-solving. We are engaged in scientific research and innovating new tools and approaches to address the most important environmental challenges. We have our feet on the ground as land stewards for the 136 preserves we own in New York – almost 200,000 acres -- and we collaborate with all levels of government, community groups, industry, and other stakeholders.

I want to start by saying thank you to the Senate and Assembly for continuing to position New York as a national leader on conservation. New York's environmental legacy is strong, as the birthplace of the modern environmental movement, and currently as we work to implement a historic \$4.2 billion Clean Water, Clean Air and Green Jobs Environmental Bond Act, the Climate Leadership and Community Protection Act, and the many critical environmental programs that ensure New Yorkers have access to the clean water, clean air and other natural resources they depend on. Your dedication and leadership on environmental protection will help ensure that future generations can live safe, healthy and prosperous lives in New York.

As your work on this state budget begins, we watch as the new Presidential Administration begins efforts to dismantle environmental policy and climate action at the federal level. From executive orders to remove the United States from the Paris Climate Accord to proposals to rescind the bipartisan infrastructure law and halt spending on programs that modernize our communities and reduce pollution, our progress towards a livable climate is at risk. We need leadership from states like New York now, more than ever.

I also want to thank the Senate and Assembly for your dedication to environmental funding. For decades, with bi-partisan support, we have grown programs that have enhanced New Yorkers' quality of life in every county of our state, including every borough of New York City. Environmental funding programs are not a luxury line in our state budget, they are essential to economic and human well-being in our state. We cannot build the robust, modern, affordable

communities of tomorrow if we are living atop the infrastructure of yesterday and our neighborhoods are devoid of nature and unlivable. The Senate and Assembly have remained steadfast champions for robust annual appropriations for the Environmental Protection Fund (EPF), the Clean Water Infrastructure Act (CWIA), and capital funding for our State Parks system and Department of Environmental Conservation. These programs, in addition to the Bond Act, are essential as we work towards meeting the massive needs that exist across New York in the communities that you represent. Thank you for your dedication to defending, continuing and growing these investments in New York's environment.

The Executive Budget Proposal for FY25-26 continues funding for these proven environmental programs. However, in a budget that proposes a spending increase of \$10 billion, we ask that you expand these critical environmental funding programs to increase benefits to communities across the state.

Environmental Protection Fund (EPF)

Since 1993, when it was created with overwhelming and bi-partisan support from New York's elected officials, the EPF has provided funding for programs that deliver important benefits to residents of communities in every county. The EPF has conserved family farms and forests, supported zoos, botanical gardens and aquaria, created municipal parks, advanced environmental justice, prevented pollution, protected clean drinking water, eradicated invasive species and more. EPF programs create new access to nature for New Yorkers, improve quality of life in communities, and support approximately 350,000 jobs across New York in industries including construction, agriculture, tourism, forestry, fishing and more. EPF supported industries add \$40 billion to the state's economy every year, and for every \$1 invested by the state in land and water protection through the EPF, \$7 in economic benefits are returned to the state. Simply put, the EPF is one of the state's smartest investments.¹

The Executive Budget Proposal proposes continued funding of \$400 million for the EPF. We urge the Legislature to appropriate \$500 million for the EPF as you negotiate the budget. This increase to the Fund will enable additional work in every county of the state and every borough of New York City.

EPF Program Appropriations

Within the EPF, The Nature Conservancy supports the following programs appropriations:

EPF Program	FY24-25 Appropriation	FY25-26 Executive Proposal	TNC Suggested FY25-26 appropriation
TNC Staying Connected Initiative	\$25,000	\$25,000	\$25,000
Open Space / Land Acquisition	\$39.5 million	\$37.5 million	\$40 million
Land Trust Alliance Conservation Partnership Program	\$3 million	\$3 million	\$3 million
Land Trust Alliance Forest Conservation Easement Program	\$1.5 million	\$1.5 million	\$5 million
Urban Forestry	\$3.2 million	\$3.2 million	\$5 million
New York Natural Heritage Program Protected Areas Database (NYPAD)	\$18,000	\$300,000	\$300,000
Water Quality Improvement	\$22.5 million	\$22.5 million	\$25 million
Invasive Species	\$18.55 million	\$18.55 million	\$20 million

¹ More information about the EPF including a chart with the full proposed appropriation can be found online at <u>www.cleanwaterandjobs.org/epf</u>

Ocean and Great Lakes	\$22.5 million	\$22.5 million	\$25 million
Hudson River Estuary	\$7.5 million	\$7.25 million	\$7.5 million
Albany Pine Bush Preserve Commission	\$3 million	\$3.1 million	\$3.1 million
Peconic Estuary	\$750,000	\$750,000	\$1 million
Zoos, Botanical Gardens and Aquaria	\$20 million	\$20 million	\$25 million
Environmental Justice	\$13 million	\$13 million	\$15 million
SUNY ESF Center for Native People & the	\$1.142 million	\$1.142 million	\$1.142 million
Environment			
Farmland Protection	\$21 million	\$21 million	\$25 million
Total EPF Appropriation	\$400 million	\$400 million	\$500 million

State Land Conservation Program

Since the EPF was established in 1993, a bedrock program has been the state's land conservation program. Through this program, New York has protected important natural resources across the state from the high peaks of the Catskills and Adirondacks to the shorelines of the Great Lakes, Finger Lakes, Hudson River and Long Island's beaches and bays to parklands and natural areas in New York City. Historically, New York has conserved an average of 70,000 acres annually since the EPF was created, and these new protected lands and waters have created new recreational opportunities and economic benefits for communities.

Unfortunately, the program has ground to close to halt. In 2023, DEC and OPRHP acquired a total of just 3,800 acres. Currently, there are more than 100,000 acres valued at more than \$150 million pending transfer to the state. Organizations, including land trusts like The Nature Conservancy, serve the public interest by acquiring priority conservation lands as opportunities arise, and then work in partnership with the state to transfer these lands into public hands where they can become part of the State Parks system, the Forest Preserve, State Forests and more. With the program now badly backlogged, acquisitions are long delayed which slows down open space conservation program implementation, depriving communities across the state of the benefits of these projects. Delays also greatly increase project costs, reducing the amount of available funds for other conservation projects.

The Nature Conservancy was pleased to see Governor Hochul address these issues in her State of the State. The 2025 State of the State book references the "incredible recreational and outdoor opportunities" in New York, "from the majestic Adirondack High Peaks to the awe-inspiring Niagara Falls." It states that the Governor is prioritizing the creation of parks and protection of open spaces and emphasizes funding commitments for open space, farmland and projects to increase accessibility of the outdoors. The Address also discusses several "key initiatives" that the Governor will champion, including the modernization of the use of title insurance, granting DEC the authority to independently acquire conservation easements, and reducing financial hurdles faced by not-for-profit organizations doing land conservation.²

Governor Hochul's budget proposal includes legislation to advance several of these goals. The EPF appropriation includes amendments to the purpose of the open space conservation program, broadening authorized uses of the funding from simply "costs related to acquisition" to also include "reimbursement of costs incurred by land trusts in contract with and prior to transfer of title to the State of New York for building removal and other site cleanup and preparation costs to prepare the parcel for sale to the State and for future public access, safety, and use..."³ The same appropriation also includes \$200,000 for pre-acquisition costs that will enable project readiness for grant programs to conserve land, including the expenditure of conservation

² https://www.governor.ny.gov/sites/default/files/2025-01/2025StateoftheStateBook.pdf. P. 126.

³ Capital Projects Appropriations bill, p. 137, lines 52-59.

funding from the 2022 Environmental Bond Act.⁴ The Nature Conservancy supports both of these provisions in the EPF appropriation for the open space conservation program and urges the Legislature to ensure they are included in the final budget.

Further, the Governor included two provisions in Article VII legislation that will reduce some barriers to land conservation. These include exempting conveyances of real property to not-for-profit, tax exempt organizations for conservation purposes from the "Mansion Tax" and enabling the DEC to independently acquire conservation easements, eliminating the need for Attorney General review of title on these transactions.⁵ The Nature Conservancy supports both provisions and urges the Legislature to ensure they are included in the final budget.

To realize our state's conservation and climate change goals, the state's land acquisition program must be improved so that it is once again performing and delivering conservation at a scale sufficient to meet the needs and challenges we face. Governor Hochul's budget and the provisions noted above will help do that, and more must be done. This includes realizing her commitment in the State of the State Address to modernizing the use of title insurance in conservation land transactions in New York. The use of title insurance will more efficiently and quickly advance transactions without incurring unacceptable risk. This authority would be consistent with common real estate practice and bring New York in line with virtually all other state and federal land acquisition programs. New York has persisted in undertaking its own review of land titles and requiring corrective action that sometimes goes back over a century to perfect title, when the issues in any other circumstance would be resolved with readily available title insurance. This practice materially slows down transactions and open space conservation program without providing any significant risk mitigation benefit to the state and requires correction.

Despite proposing this policy change in her State of the State Address, Governor Hochul's budget does not include language on this issue. We urge the Governor, the Attorney General, and the state's environmental agencies to come together on an agreement regarding the use of title insurance. Should such an agreement not be announced in short order, we urge Governor Hochul to include provisions to enable the use of title insurance in the 30-day budget amendments, and urge the Legislature to support such a policy, as it has during prior legislative sessions through the passage of legislation.

Clean Water Infrastructure Act

For years The Nature Conservancy has worked with partners and members of the Senate and Assembly in support of enhanced funding for water infrastructure. Thanks to strong leadership from the State Legislature, Clean Water Infrastructure Act (CWIA) funding has grown significantly in New York, and more than \$5.5 billion has been appropriated, including \$500 million in the current fiscal year, after the Legislature rightly rejected a proposal to slash this funding in half this time last year.

The Executive budget proposal includes a new appropriation of \$500 for this program. We urge the Legislature to go even further and grow the appropriation to \$600 million this year. Based on information from data collected by the US Environmental Protection Agency, New York State has a backlog of water and wastewater infrastructure needs that will cost an estimated \$90 billion. The time is now to invest in the infrastructure we rely on for clean drinking water, safe waste disposal and to build out our cities, towns and villages for future generations.

⁴ Capital Projects Appropriations bill, p. 139, lines 35-39.

⁵ TEDE Article VII, Part TT.

We urgently need to modernize New York's aging drinking water and wastewater infrastructure that can't keep up with the state's current needs. New York communities – rural and urban, in all regions of the state –continue to suffer the consequences of failing infrastructure such as boil water orders, water main breaks and lead contamination. Infrastructure failures like these put public health and safety at risk, and we must continue the critically important work of upgrading across the state.

According to the US Environmental Protection Agency 2022 Clean Watersheds Needs Survey, New York clean water infrastructure systems – including wastewater treatment, stormwater management, nonpoint source pollution prevention or mitigation and decentralized wastewater management – require approximately \$54 billion in upgrades. According to the US Environmental Protection Agency 2023 Drinking Water Infrastructure Needs Survey and Assessment, the State's needs are approximately \$35 billion for upgrades to drinking water systems to continue providing clean drinking water to New Yorkers.

The State has made important investments in water infrastructure programs, including the CWIA, to protect clean drinking water, and prevent pollution from reaching our lakes, rivers, and streams. These investments must continue, and grow, to further progress against these significant needs.

Capital Funding for State Environmental Agencies

The Executive Budget Proposal includes a \$200 million appropriation for OPRHP for capital projects to repair and restore parks and the natural resources within them. The Executive Budget also includes \$90 million in New York Works capital funding for DEC. We urge the Legislature to support these appropriations and increase the appropriation for DEC to \$100 million.

As a frequent partner with state environmental agencies, including facilitating significant additions to state lands, The Nature Conservancy is eager to see the state take full advantage of the many different values of our natural resources. With an \$800 million outdoor recreation industry in our State that employs more than 13,000 people, these investments benefit our economy and our environment. The Nature Conservancy supports capital investments in our state's outdoor recreational facilities and public lands, which provide the public abundant, safe, and exciting new ways to connect with nature, and draw tourists to New York to enjoy our natural resources.

Albany Pine Bush Preserve

Included in the \$90 million of capital funding for DEC is up to \$5 million for improvements to the Albany Pine Bush Preserve and Discovery Center. The Nature Conservancy is a member of the board of the Albany Pine Bush Preserve Commission and has been dedicated to the furtherance of the Commission's mission to restore the rare pine barrens ecosystem that is home to the endangered Karner Blue Butterfly since its founding. Our Albany office is leased space on the second floor of the Discovery Center, so we're able to see first-hand how the Commission's successful work to restore the health of natural resources and educate the public. By using science to guide natural resources management, the Commission has restored populations of endangered species, teach thousands of local school children and residents about the environment and conservation, and piloted innovative conservation approaches that are being used by state agencies here in New York and across the United States to tackle pressing environmental challenges. The appropriation within the NY Works Program will enable the Pine Bush Commission to expand trails, including universally accessible trails, and upgrade the grounds of the Discovery Center so that it can provide even greater educational and recreational benefits to the surrounding community. We urge the Legislature to support the \$5 million for the Albany Pine Bush Commission as part of the NY Works funding for DEC.

Climate Action

This year, the Executive Budget includes \$1 billion for the "Sustainable Future Program" aimed at mitigating climate change. Unfortunately, this one-time appropriation of \$1 billion (bonded capital, to be spent \$200 million per year over five years) is a one-shot proposed funding replacement for a policy solution that is needed to meet the state's climate goals by reducing emissions and generate recurring and more flexible revenue for programs to reduce pollution.

This appropriation is "for services and expenses of climate mitigation and adaptation projects including but not limited to: reducing greenhouse gas emissions and pollution; decarbonizing and retrofitting buildings; creating and utilizing renewable energy; advancing clean transportation initiatives; building, repairing, and maintaining thermal energy networks; for the design, construction, repair, or improvement of green infrastructure; and for purposes consistent with the general findings of the scoping plan prepared pursuant to section 75-0103 of the environmental conservation law, subject to a plan approved by the director of the budget."⁶

Should the Legislature include this appropriation in the final budget, The Nature Conservancy urges that the provision regarding green infrastructure be amended to include "reforestation and afforestation projects" which were the key strategy identified in the Climate Action Scoping Plan Agriculture and Forestry Section for reducing and storing atmospheric carbon through land-based natural climate solutions. Including this language will ensure it is clear that funds can be utilized on these programs, which will enable the state to meet its ambitious carbon sequestration goals, key to a carbon neutral economy by 2050 and furthering New York's efforts to plant 25 million trees by 2033. There are significant supply chain, workforce and infrastructure needs that should be addressed to enable reforestation and afforestation at a scale that will allow the State to reach its goals, and by addressing these issues New Yorkers will reap the economic and environmental benefits.

Beyond the discussion about the details of the proposed \$1 billion for climate mitigation projects, DEC and NYSERDA should be releasing regulations to implement an economy-wide cap and invest program, which has been studied and the subject of extensive stakeholder engagement. The Legislature has already passed legislation to enable the State to advance a program, building on its directive in the 2019 Climate Leadership and Community Protection Act (CLCPA) to reduce emissions 80% by 2050 and create a carbon neutral economy. We must enact policy change that will reduce pollution, address costs to consumers, and enable the further development and deployment of clean energy technologies across all the sectors.

Despite the climate crisis unfolding around the world, across our country and right here in our state – with sea level rise on our coasts, fires burning in our forests and our cities, flash flooding along our shores and in our river valleys, air quality warnings being issued regularly in all regions – Governor Hochul chose to delay the release of regulations to enact a Cap and Invest program. This program would have put a price on carbon pollution, requiring polluters to pay and creating a recurring revenue stream of approximately \$3 billion per year to invest in communities for projects that address pollution from transportation, buildings, energy generation, and programs that address energy costs for consumers.

⁶ Capital Projects Appropriations bill, P. 1022, lines 15-31

At a time when national action on climate change is uncertain at best, we need state leadership more than ever. In 2024 the world passed a key threshold of warming more than 1.5 degrees Celsius for the first time. It was also the world's hottest year on record. While this is not yet a failure to achieve the international target of holding warming to less than 1.5C, this is a warning sign that our continued path is growing closer to catastrophic climate change. Our children and grandchildren are depending on us to act. We must come together and build our future on a clean energy economy. By addressing climate change, we will have cleaner air, safer communities, cleaner water, less pollution, more secure food supply, local and good-paying jobs, and less illness.

Conclusion

Thank you again for the opportunity to testify on the proposed FY25-26 state budget. The Nature Conservancy is proud to be working in New York, and with you all, on important issues facing our state. As a global organization we have a broad perspective, and in New York we appreciate the state's historic role as an environmental leader. The progress made in the state budget will help sustain future generations with clean water, healthy air, and a good quality of life. We look forward to working with you throughout the remainder of the budget process and stand ready to bring the resources of our organization to the table to support the implementation of important conservation and climate programs.

For More Information, Contact

Jessica Ottney Mahar New York Policy and Strategy Director The Nature Conservancy jottney@tnc.org