

TESTIMONY OF THE NEW YORK PUBLIC INTEREST RESEARCH GROUP BEFORE THE JOINT HEARING OF THE SENATE FINANCE & ASSEMBLY WAYS & MEANS COMMITTEES REGARDING THE FISCAL YEAR 2025-26 EXECUTIVE BUDGET ENVIRONMENTAL & ENERGY PROPOSALS January 28, 2025 Albany, N.Y.

The New York Public Interest Research Group (NYPIRG) is a non-partisan, not-for-profit research and advocacy organization. Consumer protection, environmental preservation, public health, healthcare quality, higher education affordability, and governmental reforms are our principal areas of concern. We appreciate the opportunity to submit testimony on the Governor's Executive Budget environmental and energy proposals.

Governor Hochul's FY 2026 Executive Budget proposals include few environmentally beneficial initiatives to address the growing climate crisis or expand and improve environmental protection and remediation programs. What is most glaring is what is missing in her plans. We recommend that the final budget tackle important environmental issues that have either been left out or inadequately covered by the executive budget.

CLIMATE CHALLENGES

The Climate Catastrophe Requires Immediate Action

The planet and the public's health have never been so imperiled. 2023 shattered climate records, accompanied by extreme weather "which has left a trail of devastation and despair," according to the World Meteorological Organization (WMO).¹

"Greenhouse gas levels are record high. Global temperatures are record high. Sea level rise is record high. Antarctic sea ice is record low. It's a deafening cacophony of broken records. These are more than just statistics ... Extreme weather is destroying lives and livelihoods on a daily basis – underlining the imperative need to ensure that everyone is protected by early warning services," said WMO Secretary-General Professor Petteri Taalas²

"This year we have seen communities around the world pounded by fires, floods and searing temperatures. Record global heat should send shivers down the spines of world leaders," said United Nations Secretary-General António Guterres as he again urged leaders to commit to urgent action at the UN Climate Change negotiations, COP28.³

In response to the severe threat the world is facing, in 2019 New York State adopted one of the most ambitious laws in the nation to address the climate crisis, the Climate Act. The law established goals for reducing the state's greenhouse gas emissions (GHG) and prioritized just transition worker protections and social justice principles, with at least 35% of the benefits directed to disadvantaged communities. At its heart, the law requires the state to meet science-based GHG reduction and renewable energy goals: by 2030 40% reduction in statewide GHG emissions and 70% of electricity produced through renewable energy; by 2040 100% zero-emission electric generation; and by 2050 85% reduction in statewide GHG.

³ Ibid.

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¹ WMO | State of the Global Climate 2023, 11/30/2023, <u>https://wmo.int/news/media-centre/2023-shatters-climate-records-major-impacts</u>.

² Ibid.

The United Nations states that the world must reduce GHG emissions by 43% by 2030 or civilization will be devastated.⁴ 2030 is only six years away. The UN declaration is in line with New York's goals and thus the state's climate goals set the floor – not the ceiling – for action. Missing those goals ignores climate science and puts New York on a trajectory that leads to unnecessary deaths, human suffering, and staggering costs from flooding, storms, and heatwaves.

New York's Enormous Costs From Climate Catastrophes are Growing

The federal agency National Oceanic and Atmospheric Administration released its annual 2023 report this month on billion-dollar weather and climate disasters, summarizing New York State's astronomical costs. From 1980 to 2023, New York State experienced 85 billion dollar weather/climate disaster events, including 41 severe storm events, 14 tropical cyclone events, and 20 winter storm events, 4 drought events, 5 flooding events and 1 freeze event.⁵ Together, these events cost the state between \$50 to \$100 billion, with up to \$20 billion or 16% of the total costs in the last three years alone (2021-2023), and a five year average cost of \$2.9 billion.⁶

The Climate Crisis Is Harming New Yorkers and Getting Worse

The *New York State Climate Impacts Assessment* technical Chapter 2 provided the following key findings (emphasis ours):

"Key Finding 1: Average and maximum temperatures have increased in New York State since the early 20th century and are projected to continue to rise throughout the 21st century. **The state has warmed more rapidly than the national average, and winter is warming more rapidly than other seasons. Heat waves are expected to occur more often and become more intense, posing greater risks for human health, built infrastructure, ecosystems, and other sectors.** New York City is projected to remain the warmest part of the state; northern regions will continue to be relatively cooler while still experiencing large increases in temperature and extreme heat.

Key Finding 2: New York State has experienced increases in total precipitation and heavy precipitation events, and these trends will continue through the end of this century. **Heavy rainstorms that lead to flooding are projected to become more frequent across the state. Precipitation is expected to increase the most in winter.** Lake-effect snowfall is projected to increase over the next few decades, but as temperatures continue to rise, more winter precipitation near the Great Lakes will fall as rain ...

Key Finding 3: Climate change is creating conditions that will increase the frequency and severity of many types of extreme events. Several types of storms are expected to become more intense, with heavier rainfall, stronger winds, and higher storm surge along the coast driven by sea level rise. Short-term summer droughts could increase due to changing precipitation patterns and increased temperatures ...

Key Finding 4: Sea surface temperature, sea level, and coastal flooding are increasing along New York State's coast. Sea surface temperatures are rising more rapidly in the state than the global average. Sea level along New York's coastline has risen almost 1 foot in the past century and is projected to increase by another 1 to 2 feet by mid-century, making chronic flooding more common in low-lying coastal neighborhoods ...

⁵ National Centers for Environmental Information, Oceanic & Atmospheric Administration, January 2024, https://www.ncei.noaa.gov/access/billions/state-summary/NY.

⁴United Nations Climate Change, "Climate Plans Remain Insufficient: More Ambitious Action Needed Now," 10/26/2022, <u>https://unfccc.int/news/climate-plans-remain-insufficient-more-ambitious-action-needed-now#:~:text=The%20UN's%20Intergovernmental%20Panel%20on,be%20cut%2043%25%20by%202030.</u>

⁶ Ibid.

Key Finding 5: New York State's lakes and rivers have experienced increased water temperature, fluctuating water levels, and decreased ice cover, and these changes are expected to intensify in a warmer, wetter future. Lakes are projected to experience more severe summer heat waves and decreased winter ice cover as temperatures rise in the coming decades. The Great Lakes could experience greater year-to-year variability in water levels, driven by periods of drought and extreme precipitation. Flood intensity and damages are expected to increase with extreme rainfall and broader changes in streamflow.³⁷

In New York City, an estimated 350 people each year – about 2% of all deaths in NYC between May and September – die prematurely from heat-related causes as annual heat-related deaths have climbed over the past decade according to a report by the Department of Health and Mental Hygiene.⁸ The report states that:

"Black New Yorkers are more likely to die from heat stress, with death rates two times higher than White New Yorkers. This inequity is due to past and current structural racism that creates economic, health care, housing, energy, and other systems that benefit White people and disadvantage people of color. Lack of access to home air conditioning (AC) is an important risk factor for heat-stress death. Among those who died from heat stress, the place of death was most often an un-air-conditioned home."⁹

Sea levels in New York City have risen by a foot since 1900 and are projected to rise by up to 5.4 additional feet by the end of the century; the city's floodplain contains nearly 20 percent of the city's area, and by the 2080s, large portions of some coastal neighborhoods could flood with greater frequency.¹⁰ Even if New York meets its science-based climate targets, the costs to the state's infrastructure will grow. Inaction will only make those costs dramatically higher.

Heeding the Call of the United Nations and the Climate Action Council

Anyone who understands – or is aware of – the science knows that policymakers in Washington will do at best very little to respond to the growing threat of climate catastrophe. It is clearer than ever that the states must lead on climate. New York has the tools, know-how, and policy proposals to lead the nation with the implementation of its landmark Climate Act. NYPIRG supports many of the policy solutions included in the Climate Action Council (CAC)'s Scoping Plan and its critically important recommendations. While there are areas in which it needs to be strengthened, it is of the utmost importance that the Governor and Legislature pass the following climate bills this session. Literally, the climate can't wait.

NYPIRG applauds your approval of the Climate Change Superfund Act

The Climate Superfund requires that companies responsible for the bulk of carbon emissions between the years 2000 and 2024 pay about \$3 billion each year for 25 years to help the state defray the costs of climate change.

The rationale for the legislation, which enjoyed widespread support from hundreds of organizations,¹¹ over 100 local elected officials,¹² countless community activists, and bipartisan support in both houses of the state Legislature, was simple: Make the companies most responsible for greenhouse gas emissions pony up to offset

⁷ NYS Climate Impacts Assessment Report Technical Chapter 2, 1/24/2024, <u>https://nysclimateimpacts.org/wp-content/uploads/2024/01/Assessment-ch2-NYS-changing-climate-01-09-24.pdf.</u>

⁸ The Gothamist, 7/6/2023, <u>https://gothamist.com/news/heat-related-deaths-in-new-york-city-soar-in-the-last-decade-report-says.</u>

⁹ 2023 NYC Heat-Related Mortality Report Summary

https://a816-dohbesp.nyc.gov/IndicatorPublic/key-topics/climatehealth/heat-report/.

¹⁰ 4/20/23 City of New York News Release, <u>https://www.nyc.gov/office-of-the-mayor/news/274-23/mayor-adams-releases-planyc-getting-sustainability-done-new-york-city-s-strategic-climate-plan#/0.</u>

¹¹ See: <u>https://www.nypirg.org/pubs/202401/Release_1_30_Climate_Superfund_News_Conf.pdf</u>.

¹² See: <u>https://protectingamerica.net/ny/new-york-supporting-climate-change-superfund-act/</u>.

the mushrooming state taxpayer costs of damages caused by a worsening climate and to cover the necessary investments to make infrastructure safer.

As the governor said in approving the bill, "With nearly every record rainfall, heatwave, and coastal storm, New Yorkers are increasingly burdened with billions of dollars in health, safety, and environmental consequences due to polluters that have historically harmed our environment."¹³

Simply put, the Climate Superfund *reduces* by \$75 billion the future taxpayer costs from more intense storms, hotter temperatures, and rising sea levels by shifting those costs to the biggest oil companies – who are primarily responsible for the damage and concealed the true dangers for decades.

While \$75 billion may seem like a lot, it still is only a portion of the looming climate costs New York faces. It's going to cost hundreds of billions to shore up New York against the impacts of climate change – estimates put the price tags at \$52 billion to protect New York City Harbor,¹⁴ \$75-\$100 billion to protect Long Island,¹⁵ and \$55 billion for climate costs across the rest of the state.¹⁶ The state Comptroller has predicted that more than half of local governments' costs will be attributable to the climate crisis.¹⁷

Your action and the Governor's approval of the Climate Superfund is good news for taxpayers. Until her approval, New York taxpayers were 100% on the financial hook for climate costs. Now Big Oil will pay for a big chunk of the damages that they helped cause. As a result, New Yorkers will have their future tax burden reduced by \$3 billion annually. It's a win for taxpayers, the environment, and consumers.

Strengthen New York's effort to decarbonize its housing and protect low- and moderate-income ratepayers by including the NY HEAT Act in the final budget (S.2016-B/A.4592-B of 2024)

The Governor's inclusion of \$1 billion (\$200 million over the next five years) for some building decarbonization and clean energy transition projects is insufficient. At a minimum, the appropriation should be earmarked for state programs designed to make homes more efficient. More efficient housing should result in lower energy bills – or at least reduce any future increases.

In addition, the *New York Home Energy Affordable Transition Act (NY HEAT)* provides the Public Service Commission (PSC) with the authority and direction to align gas utility regulation and gas system planning with the Climate Leadership and Community Protection Act (CLCPA) mandates. Specifically, the bill removes the legal basis and subsidies driving the expansion of gas systems and requires the PSC to adopt rules to provide for the timely and strategic decarbonization and right-sizing of the gas distribution system in a just and affordable manner prioritizing low-to-moderate income customers and disadvantaged communities and encouraging neighborhood-scale transitions.

¹³ Governor Hochul, "Governor Hochul Signs Landmark Legislation Creating New Climate Superfund," December 26, 2024, <u>https://www.governor.ny.gov/news/governor-hochul-signs-landmark-legislation-creating-new-climate-superfund</u>.

¹⁴ Kensinger, N., "12 storm surge gates: Army Corps proposes \$52 billion barriers for New York-New Jersey waterways," September 26, 2022, The Gothamist, <u>https://gothamist.com/news/army-corps-52-billion-dollar-storm-surge-barriers-new-york-new-jersey-harbor-waterways</u>.

¹⁵ MacGowen, C., "Rising ocean, bay tides could eventually reshape Long Island — and will alter how we live, work and play, experts say," Newsday, April 23, 2023, <u>https://www.newsday.com/long-island/environment/climate-change-sea-levels-bay-tides-long-island-s1hsx81r</u>.

¹⁶ Rebuild By Design, "Resilient Infrastructure For New York State," <u>https://rebuildbydesign.org/wp-content/uploads/2021/12/1329.pdf</u>.

¹⁷ Office of the State Comptroller, "DiNapoli: Localities Spending More to Address Climate Change Hazards," April 20, 2023, <u>https://www.osc.ny.gov/press/releases/2023/04/dinapoli-localities-spending-more-address-climate-change-hazards</u>.

The bill will maintain the affordability of services for all utility customers, create good jobs, facilitate achievement of the CLCPA climate justice and emission reduction mandates, and facilitate a well-planned and strategic downsizing of the gas system by redirecting ratepayer funds from costly new investments to maintain or expand the gas system to instead fund job-creating neighborhood-scale decarbonization projects.

Millions of New Yorkers struggle to pay escalating energy bills while utilities continue to implement policies that perpetuate the worsening climate crisis by failing to aggressively reduce greenhouse gas emissions (GHG). The bill allows the PSC to require that the State's utilities comply with the CLCPA and provide affordable and clean home energy sources, rather than just gas. It will help customers switch to zero-GHG emissions heating and cooling and ensure affordability by capping energy bills for all customers at no more than 6% of income, avoiding billions of dollars in new gas infrastructure investments, and investing in energy saving home improvements.

The State needs to drastically reduce GHG emissions by reducing the use of gas for heating and cooling buildings. Current gas utility business models are premised on expanding, not contracting, gas infrastructure and services. New York's current laws promote gas system expansion by establishing a gas utility *obligation to serve gas* to any new customer upon request while providing that existing customers *subsidize* their new service connections. This undermines the important climate justice directives and binding emissions reduction goals in the CLCPA, and it makes New York ratepayers subsidize the fracked gas industry.

Low-income New Yorkers suffer the most if the state fails to properly plan for the right-sizing reduction of the gas system, as they will be among a shrinking group of customers burdened with the cost of maintaining that distribution network. Further, low- and moderate-income New Yorkers are currently energy-burdened, paying an average of 10% of their income on utilities.¹⁸ The bill will codify an existing goal that no household pays more than 6% of their income on their utility bills, delivering financial relief to millions of families. The bill controls for potential increased energy usage by residential customers by permitting the PSC to authorize a reasonable per-customer limit on the amount of energy subject to the 6% energy burden protections.

The bill removes barriers to the development of shared geothermal energy networks to enable communities to access zero GHG emissions heating and cooling and deliver cleaner air. It will also create a demand for highly skilled, high-paying jobs to manage the transition. The bill ensures that neighborhood-scale decarbonization projects hired out by utilities (rather than homeowners) are subject to prevailing wage requirements, supporting good, family-supporting jobs. **NYPIRG urges you to include NY HEAT in the final budget.**

"Bucks for Boilers" (S.9099/A.9990 of 2024)

The *Bucks for Boilers Act* mandates the phase-out of new fossil-fueled boilers starting in 2030 for small buildings and 2035 for larger buildings, while subsidizing homeowners to repair and weatherize their homes and replace their boilers with heat pumps. Replacing energy systems is a major household expense. The Act authorizes the state to invest billions of dollars per year - about \$50,000 per household - and offers upfront full-coverage subsidies to low and moderate-income households. Under this program, the average New York household would save hundreds of dollars per year through lower energy bills.

The *Bucks for Boilers Act* will save New Yorkers money, make homes safer and healthier, and combat the climate crisis. Bucks for Boilers will allow for New York households to save significantly on their energy bills. Per a report by WinClimate,¹⁹ an estimated 88% of New York households would save money on energy costs

¹⁸ New York State Department of Public Service, "Energy Affordability Program," <u>https://dps.ny.gov/energy-affordability-</u>

program#:~:text=Energy%20costs%20for%20low%2Dincome,State%20utility%20low%2Dincome%20customers.

¹⁹ Win Climate, "Decarbonizing New York State's Homes, An evaluation of GasFreeNY's Bucks for Boilers proposal," Max Shron & Juan-Pablo Velez, April 22, 2024,

https://drive.google.com/file/d/1Xt2167kzTrGOgjKN3nKetM97Yoy3XXhs/view?usp=sharing.

through *Bucks for Boilers*; low and moderate-income households would save a median of 20% on their energy bills and realize those savings immediately, while medium and high income households would save a median of 24% and 26% on their energy bills respectively after a reasonable payback period. Households would save hundreds of dollars per year through *Bucks for Boilers*. **NYPIRG urges you to include this measure in the final budget.**

Stop Climate Polluter Handouts Act: Wasteful Taxpayer Subsidies to the Fossil Fuel Industry (S.3389/A.7949 of 2024)

The Stop Climate Polluter Handouts Act is an important application of the Climate Act on the state's fiscal policy. The State provides over \$1.5 billion annually to the climate crisis contributors—the fossil fuel industry.²⁰ Ending state subsidies to the polluting fossil fuel industry is critical to help meet the Climate Act goals as the State is undermining the law by subsidizing the very industry that created this crisis. To the detriment of its citizens, the State is "talking out of both sides of its mouth" by providing funds to the polluting industrial sector it has statutorily declared needs to be phased out.

The bill repeals the most egregious fossil fuel subsidies and saves the state approximately \$336 million annually.²¹ It signals that the State is seriously and consistently abiding by the goals of the CLCPA and taking actions to transition to a climate-healthy future. For example, the bill ends: \$118 million in airline fuel tax exemptions; \$89 million in fossil fuel research and development and certain property tax exemptions; \$65 million in petroleum gas tax exemptions; and limits subsidies in a number of economic development programs. After a careful review, the legislative sponsors focused on eliminating these subsidies first as they have a limited impact on consumers. **NYPIRG urges you to include eliminating taxpayers' subsidies in the final budget, specifically those that will have the least impact on the costs to the public.**

Fund Climate Campaign Package to advance the Climate Act Implementation

NYPIRG stands with its partners in the NYRenews coalition in advocating for the passage of a package of bills and funding proposals to advance the goals of the Climate Act by raising significant state funds to decarbonize the state's building, transportation and infrastructure sectors while ensuring a green economy for all, to ensure that communities of color and low-income communities fully benefit from the transition, and to ensure a just transition for workers.

NYPIRG urges that you include in the final budget measures that embrace the NY Renews "Affordable Climate-Ready Homes Program" which uses revenues to make it affordable for low and moderate income households to upgrade existing homes by improving living conditions and electrifying at the same time.²² This entails funding for hazard remediation and repairs addressing asbestos, mold, etc. in preparation for upgrades such as heat pumps, insulation, and other renewable energy installations. This will cut pollution, make homes safer and healthier, save energy and reduce utility bills, and also create unionized clean energy jobs.²³

SOLID WASTE CHALLENGES

Waste Reduction, Recycling and Combating the Plastic Pollution Crisis

New York State has a solid waste, toxics, and plastic pollution crisis. A 2022 international report found the world is beyond the toxic tipping point. This scientific study, published in the journal *Environmental Science*

²⁰ Senator Krueger Sponsor Memorandum, S.3389 of 2024.

²¹ Ibid.

²² NY Renews, "The Affordable and Climate-Ready Homes Program,"

 $[\]label{eq:https://docs.google.com/document/d/1JcNpwajUIccTgngyVfcgm4dZIgbZx4p0gCiXPN6VFh4/edit?tab=t.0\#heading=h.gcyypamrm6k2.$

²³ NY Renews,

https://docs.google.com/document/d/1JcNpwajUIccTgngyVfcgm4dZIgbZx4p0gCiXPN6VFh4/edit?tab=t.0#heading=h. m4s9h6mycn5j.

& *Technology*, found that "the total mass of plastics now exceeds the total mass of all living mammals," a clear indication that the world has crossed a boundary.²⁴ Crucially, production of single use plastics shows no signs of slowing down and have been exponentially increasing. Since 1950, there has been a fifty-fold increase in plastic production. This number is expected to triple by 2050.²⁵

The Climate Action Council's Scoping Plan recommends comprehensive action to reduce the state's generation of solid waste citing its role in the generation of greenhouse gases. The Plan states, "GHG emissions from the waste sector represent about 12% of statewide emissions, including landfills (78%), waste combustion (7%), and wastewater treatment (15%). Most of these emissions represent the long-term decay of organic materials buried in a landfill, which will continue to emit methane at a significant rate for more than 30 years."²⁶ The Plan recommends the following set of ambitious but necessary solid waste goals based on a long-standing statute (emphasis ours):

"Vision for 2030. For solid waste management and WRRFs, the major contributors to emissions are associated with landfill emissions, though sources are also found at WRRFs and other facilities. To reduce emissions to achieve the required 2030 GHG emission reductions, significant increased diversion from landfills as well as emissions monitoring and leak reduction will be needed. A circular economy approach to materials management is understood and employed.

Vision for 2050. The Climate Act requires a more dramatic decrease in GHG emissions by 2050, achieving at least an 85% reduction (compared with 1990 levels). For solid waste and WRRFs, this necessitates a dramatic shift in the way waste is managed, to the point that landfills and combustors are only used sparingly for specific waste streams, and *reduction and recycling are robust and ubiquitous*. In addition, methods to monitor leaks and emissions are well developed and implemented, and those emissions are significantly reduced. The circular economy approach for materials management is fully implemented and embraced.

In 1988, the Solid Waste Management Act (ECL §27-0106) established in law the *preferred hierarchy of solid waste management*. The hierarchy established the following priorities to guide the programs and decisions of the New York State Department of Environmental Conservation (DEC) and other State agencies:

- First, to reduce the amount of solid waste generated.
- Second, to reuse material for the purpose for which it was originally intended or to recycle the material that cannot be reused.
- Third, to recover, in an environmentally acceptable manner, energy from solid waste that cannot be economically and technically reused or recycled.
- Fourth, to dispose of solid waste that is not being reused or recycled, or from which energy is not being recovered, by land burial or other methods approved by DEC.²⁷

Expand New York's Most Successful Recycling Program by Passing the Bigger, Better, Bottle Bill (S.237-C and A.6353-A of 2024)

²⁴ Environmental Science and Technology, *Outside the Safe Operating Space of the Planetary Boundary for Novel Entities*, 1/18/2022, <u>https://doi.org/10.1021/acs.est.1c04158</u>.

²⁵ Carrington, Damien, *Chemical pollution has passed safe limit for humanity, say scientists*, The Guardian, 1/18/2022, <u>https://www.theguardian.com/environment/2022/jan/18/chemical-pollution-has-passed-safe-limit-for-humanity-say-</u>scientists.

²⁶ New York State Climate Action Council Final Scoping Plan, p.316. <u>https://climate.ny.gov/resources/scoping-plan/</u>.

²⁷ New York State Climate Action Council Final Scoping Plan, p.319 <u>https://climate.ny.gov/resources/scoping-plan/</u>.

It has been more than four decades since creation of the state's Returnable Container Act, affectionately called the *"Bottle Bill."* Enacted in 1982, the 'Bottle Bill' requires a 5-cent refundable deposit on eligible beverage containers to encourage their return to avoid litter and waste.

New York's Bottle Bill has been the state's most effective recycling and litter prevention program. According to the Department of Environmental Conservation (DEC), the Bottle Bill reduces roadside container litter by 70%, and in 2020, 5.5 billion containers were recycled.²⁸ After its four-decades of success, the Bottle Bill should be modernized by expanding the law to include popular non-carbonated beverages, wine, spirits, and hard cider and increasing the redeemable deposit value to 10-cents to increase the rate of recovery.

Modernization of the 40-year-old Bottle Bill will further enhance litter control (most notably in underserved lower income communities), help stimulate recycling efforts, encourage the use of refillable containers, and is a matter of economic justice that will provide badly needed funding for communities that face low redemption rates due to inadequate access to retailers and redemption centers. States with bottle deposit laws have a beverage container recycling rate of around 60%, while non-deposit states only reach about 24%.²⁹ *The national group ReLoop stated in a 2022 report that the bottle bill's expansion and deposit increase to a dime would likely ultimately result in a near-90% redemption rate.*³⁰

Developments in global waste policy make an even stronger case for this new measure. China, which had been accepting massive amounts of the nation's waste, stopped accepting such imports in 2018, resulting in these recycled wastes being the responsibility of local governments.³¹ These municipal recycling systems are not equipped to deal with the high amounts of waste that have flooded their systems. The state had been made aware by their own agencies that New York needed further waste diversion tactics.

Municipal recycling programs are particularly struggling with glass contaminating their recycling streams. When glass breaks in curbside containers it contaminates the rest of the materials and renders much of it unrecyclable for the municipality. The expansion of the Bottle Bill to include wine, spirits, and non-carbonated beverages, with a deposit increase from a nickel to a dime, will take a significant number of containers out of municipal recycling programs. The costs of recycling many of the containers that are not covered under the state's Bottle Law are too high for many municipalities. For example, the costs associated with collecting and processing PET plastic bottles and glass per ton are higher than revenues per ton for scrap material.³²

Expanding the Bottle Law would eliminate these costs for municipal programs by creating a financial incentive (the deposit) for consumers to return and an obligation (the law) for retailers to accept these containers, relieving the burden on local government recycling programs.

Expanding the Bottle Bill would be a major financial benefit both for New York's municipalities and the state as a whole. While recycling an additional 5.5 billion containers, ReLoop estimates that expanding the law would save New York's municipalities \$70.9 million dollars annually through waste diversion.³³ Not only would municipalities save financially, but diversion on this scale would save an estimated 331,900 metric tons

²⁸ New York State Department of Environmental Conservation, "New York's Bottle Bill," <u>http://www.dec.ny.gov/chemical/8500.html</u>.

²⁹ Container Recycling Institute, Bottle Bills, <u>https://www.container-recycling.org/index.php/issues/bottle-bills</u>.

³⁰ ReLoop Platform, "Reimagining the Bottle Bill," <u>https://bottlebillreimagined.org/</u>.

³¹ Quinn, Megan, "National Sword kicked off a wave of MRF investments. 5 years later, tech and funding continue to advance." *Waste Dive*, 9/14/2022.<u>https://www.wastedive.com/news/national-sword-five-years-mrf-robotics-recycling-investment/630731/</u>.

³² Container Recycling Institute, "Cost of Curbside Recycling for Beverage Containers," 5/31/2018, <u>http://www.container-recycling.org/index.php/publication</u>.

³³ ReLoop, "Reimagining the Bottle Bill," June, 2022, <u>https://bottlebillreimagined.org/wp-content/uploads/2022/06/Reimagining-the-Bottle-Bill-FINAL-JUNE-2022.pdf</u>.

of CO₂, the equivalent of removing 32,000 cars every year.³⁴ The unclaimed bottle deposits are a revenue generator to the state's General Fund that brings in millions of dollars to support environmental programs statewide. In FY2023, the state received \$121 million from unclaimed bottle deposits.³⁵ Our 2025 analysis is that an expanded Bottle Bill would generate \$100 million for state reinvestment.³⁶

NYPIRG commissioned a Siena College Research Institute poll, looking at the popularity of modernizing New York's Bottle Law. *The poll found that 71 percent of respondents favor expanding the recycling program to include bottles and cans for beverages including teas, sports drinks, juices, wine and liquor.*³⁷ The release of the poll amplified a call from more than 300 community, civic, and environmental organizations to Governor Hochul to modernize the state's bottle deposit law as part of her Executive Budget. A strong majority of New Yorkers are supportive of the program, believe it reduced litter in the state, and support raising the deposit on beverage containers from a nickel to a dime.³⁸

Our belief is seconded by the New York State Department of Environmental Conservation, which stated in its recently released 10-year solid waste plan, that the state should

Support proposals, such as modernization and expansion of the Bottle Bill (Returnable Container Act), increased handling fees, and the development of an interagency Bottle Bill task force that will reduce fraudulent sales and redemption activities in violation of the Returnable Container Act and other state laws.³⁹

Post-budget Pass the New York Packaging Reduction and Recycling Act (S.1464/A.1749 of 2025)

NYPIRG strongly supports the concept of holding producers (or polluters) financially responsible for their waste and has been a longtime supporter of extended producer responsibility (EPR) policies. One of the most successful recycling and litter reduction programs in New York, the Bottle Deposit Law, is an extended producer responsibility policy.

We include this in our testimony not because we wish to see packaging legislation in the budget, we do not, but to highlight the need to tackle this issue during the session.

Over 99% of plastics are sourced from fossil fuels.⁴⁰ The most common source of plastic resin in the United States is natural gas. This means the more plastic society uses, the longer the fossil fuel industry is kept running. When Coca-Cola, PepsiCo, and Keurig Dr Pepper combined to pour 121 million tons of greenhouse gasses into the atmosphere, they eclipsed the entire climate footprint of Belgium.⁴¹

Microplastics have been found to cause both allergic reactions and cell death in humans.⁴² Further, looking at

³⁴ Ibid.

³⁵Container Recycling Institute, "The Fate of Unclaimed or Abandoned Deposits," 2022, <u>https://www.bottlebill.org/index.php/about-bottle-bills/the-fate-of-unclaimed-or-abandoned-deposits</u>.

³⁶ NYPIRG analysis released January 28, 2025.

 ³⁷ Barnes, Steve, *Poll: New Yorkers favor expanded recycling, 10¢ deposit, Albany Times-Union, 1/29/2022,* <u>https://www.timesunion.com/environment/article/poll-new-yorkers-favor-expanded-recycling-10-17748223.php</u>
³⁸ Ibid.

³⁹ New York State Solid Waste Management Plan, Building The Circular Economy Through Sustainable Materials Management, December 2023, p. 27.

⁴⁰ <u>https://www.ciel.org/wp-content/uploads/2017/09/Fueling-Plastics-Fossils-Plastics-Petrochemical-Feedstocks.pdf</u>, pg.1.

⁴¹ Elgin, Ben, *Big Soda's Addiction to New Plastic Jeopardizes Climate Progress*, Bloomberg, 7/12/2022.

⁴² Parker, Laura, *Microplastics are in our bodies. How much do they harm us?* National Geographic, 4/25/2022, https://www.nationalgeographic.com/environment/article/microplastics-are-in-our-bodies-how-much-do-they-harm-us.

hamsters, researchers have found that microplastics appear to lead to blood clotting in mammals.⁴³ Inhaling burnt plastics is a well-known cause of cancer, as many of the chemicals within plastics are made of carcinogens.⁴⁴ In fact, China's much publicized decision in 2018 to stop importing the nation's solid waste, was cited as a matter of public health.⁴⁵ Not that this decision stopped America from finding other poorer and developing countries to accept our waste such as Bangladesh, Laos, and Ethiopia.⁴⁶ The world is also now at a point in which all of us can inhale nanoplastics.⁴⁷ The science is clear that reliance on any plastics, not just single-use plastics, is a detriment to local and global human health.

NYPIRG is pushing for the implementation of an Extended Producer Responsibility (EPR) program to ensure corporations are on the hook for a "cradle-to-grave" approach to reduce and be responsible for their packaging waste. A significant contributor to our waste and plastic pollution crisis is the fact that consumer brand-owners have no financial responsibility for the solid waste management of their product packaging. They have no requirements or incentives to reduce packaging waste, create reusable products, make packaging easier to recycle, or boost market demand by using more recycled content. EPR requires companies to be financially responsible for mitigating the environmental impacts of their product packaging, through reduction, recycling and reuse.

Waste accounts for 12% of statewide emissions, most of which come from landfills that will continue to release significant amounts of methane, a greenhouse gas on steroids, for the next three decades.⁴⁸ Methane is 25 times more potent than carbon dioxide when it comes to global warming. Methane levels in the atmosphere have doubled over the last 200 years as a result of industrialization.⁴⁹ Reducing this pollutant rapidly would have a tremendous and immediate impact on mitigating the worst effects of climate change. It's more potent than carbon dioxide, but its lifespan is shorter – only about 12 years compared to centuries.⁵⁰ To reduce methane, the Plan will require robust composting. For other waste streams, effective recycling programs are recommended along with placing the responsibility on the producers for electronic waste and packaging. By 2050, landfills should be nearly non-existent.

The Climate Scoping Plan calls for "significantly increased diversion from landfills as well as emissions monitoring and leak reduction." Further saying, "a circular economy approach to materials management is understood and employed." The plan also calls for an expanded bottle deposit law to meet these targets.

The Plan is quite clear how necessary it is to enact an EPR program with real reduction targets, saying "The State should enact and implement new legislation in 2023 that creates an EPR/product stewardship framework. Alternatively, individual legislation should be enacted targeting products with the greatest GHG impact (such

⁴³ Thompson, Andres, *From Fish to Humans, A Microplastic Invasion May Be Taking a Toll*, Scientific American, 9/4/2018. <u>https://www.scientificamerican.com/article/from-fish-to-humans-a-microplastic-invasion-may-be-taking-a-toll/</u>.

⁴⁴ Campanale C, Massarelli C, Savino I, Locaputo V, Uricchio VF. A Detailed Review Study on Potential Effects of Microplastics and Additives of Concern on Human Health, Int J Environ Res Public Health.

⁴⁵ Sara Kiley Watson, China Has Refused to Recycle The West's Plastics. What Now?, N.P.R. 6/28/2018, <u>https://www.npr.org/sections/goatsandsoda/2018/06/28/623972937/china-has-refused-to-recycle-the-westsplastics-what-now</u>.

 ⁴⁶ Erin McCormick et. al., *Where Does Your Plastic Go? Global Investigation Reveals America's Dirty Secret*, The Guardian, 6/17/2019, <u>https://www.theguardian.com/us-news/2019/jun/17/recycled-plastic-americaglobal-crisis</u>.
⁴⁷ Ibid.

⁴⁸ New York Climate Action Council, "Draft Scoping Plan," December 2022. <u>https://climate.ny.gov/-</u>/media/project/climate/files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf.

⁴⁹ Misdary, Rosemary, *A lot more than gas stoves: A deep dive into what NY must do to meet its climate law*, Gothamist. Jan. 23, 2023. <u>https://gothamist.com/news/a-lot-more-than-gas-stoves-a-deep-dive-into-what-ny-must-do-to-meet-its-climate-law</u>.

⁵⁰ Ibid.

as packaging and printed paper, carpet, tires, textiles, solar panels, wind turbines, batteries, appliances, especially those containing refrigerants, and mattresses)."

DRINKING WATER CHALLENGES

The Governor proposed to keep flat the funding for the **Clean Water Infrastructure Act (CWIA)** The Assembly and Senate one-house budgets should *increase* funding to \$600 million to better maintain New York's ability to provide safe water, a fundamental right for all its residents.

We urge the State Legislature to support the inclusion of the following initiatives to the FY 2026 Executive Budget to ensure that New York State adequately funds and approves timely climate crisis prevention and protection legislation, improved public health protections for all New Yorkers, and enhanced protection and remediation for the state's environment.

Improving Drinking Water Protection & Improvements

NYPIRG has a long and deep history of advocating for the safeguarding of drinking water supplies to protect them from leaking toxic waste sites, oil spills, sewage runoff, and other sources of pollution. New York's abundant groundwater and surface water resources are a precious natural treasure. The state has 17 watershed management units, and New York City has the largest unfiltered water supply in the country. Although the state's water systems predominantly deliver safe water to people, they are vulnerable to threats of contamination from an aging and crumbling water infrastructure and an industrial legacy of toxic sites. In addition, municipal water supplies and private wells that are contaminated need treatment, filters and sometimes alternative water supplies, to ensure people's health is protected, especially young children, the elderly, and chemically sensitized people.

Increase Funding to \$600 Million for the Clean Water Infrastructure Act to Meet The Needs of Communities

New York needs to make sure that water supplies are protected from source to tap, which means that the state needs to properly fund water infrastructure systems, such as the pipes that deliver drinking water and remove wastewater. The State has gone decades without properly funding these systems, and billions of gallons of untreated sewage enter waterways and hundreds of water mains break annually.⁵¹

Over the next twenty years, it is estimated that New York needs to invest approximately \$80 billion in wastewater and drinking water infrastructure updates, repairs, and replacements.⁵² That figure does not include funds to preserve land around source water, septic system replacement, and water testing and filtration.

The New York Clean Water Infrastructure Act (CWIA) needs a significant funding increase to meet outstanding needs. The Governor is proposing a 50% cut to \$250 million which will result in fewer projects to replace lead pipes, cleanup toxic PFAS chemicals, prevent water main breaks, and more. This reduction could lead to increased costs for residents, reduced economic growth, and potential health risks from outdated water systems. This drastic cut jeopardizes New York's ability to provide safe water, a fundamental right for all its residents. Reducing the CWIA budget will lead to increased costs for everyday New Yorkers. Most importantly, our health is at stake. Older water systems pose significant health risks, from lead pipes to sewage overflows, and without adequate funding, these risks will only escalate. The state cannot afford to compromise on something as fundamental as clean and safe water. This is not merely an investment in infrastructure; it is an investment in the health, safety, and economic well-being of all New Yorkers.

⁵¹ Office of the State Comptroller, "A Partially Treated Problem: Overflows From Combined Sewers," May 2018, https://www.osc.ny.gov/files/local-government/publications/pdf/combined-sewers.pdf.

⁵² Daily Gazette, "Infrastructure needs state's full attention," 2/17/2017, https://www.dailygazette.com/the_recorder/opinion/editorials/infrastructure-needs-state-s-fullattention/article af8ed19b-ef18-56f4-990f-3ef424b41999.html.

NYPIRG urges the Assembly and Senate to include in their one house budget proposals and in the final budget CWIA funding at \$600 million annually.

ENVIRONMENTAL CHALLENGES

Strengthen the Environmental Protection Fund. NYPIRG urges that you boost the Environmental Protection Fund (EPF) to \$500 million. The EPF provides funding for numerous initiatives that are critical for protecting water quality, combating climate change, and keeping New York's public spaces clean. Additionally, EPF benefits every county of New York State, and supports over 350,000 jobs across a variety of sectors, and a recent study found that for every \$1 invested in the EPF, \$7 is returned to New York State.⁵³ However, the EPF should not be used to fund staff at the Department of Conservation, but spent directly on the needs of the state.

The Renewable Capitol Act (S.2689/A.5633 of 2024) mandates the conversion of the Capitol and Empire State Plaza to renewable energy. We urge that the final budget includes this legislation. We also recommend an appropriation of \$150 million for the first year for planning and construction costs as identified by the Empire State Plaza Energy Infrastructure Master Plan.⁵⁴

State Superfund. NYPIRG urges your support for including \$125 million for the state's Superfund Program. The \$25 million increase is accompanied by a proposal to amend the superfund program, increase its bond cap and extend it for 10 years.

Thank you for the opportunity to testify.

 ⁵³ We Love New York, "The Environmental Protection Fund Works," <u>http://www.keepprotectingny.com./</u>.
⁵⁴ New York State Office of General Services, "Empire State Plaza Energy Infrastructure Master Plan," May 2024, <u>https://ogs.ny.gov/system/files/documents/2024/08/esp-energy-infrastructure-master-plan-report-06-05-2024-redacted.pdf</u>.