



Testimony

Joint Budget Hearings on Environmental Conservation Senate Finance Committee and Assembly Ways and Means Committee January 28, 2026

Bob Cohen, Esq., Policy and Research Director, Citizen Action of New York

I. Introduction: New York State Must Pass a Budget That Adequately Addresses the Climate and Affordability Crises

Chairpersons Krueger and Pretlow and other members of the Senate Finance and Assembly Ways and Means committees: my name is Bob Cohen. I am the Policy Director of Citizen Action of New York ("Citizen Action"), a grassroots organization with thousands of members in eight chapters and affiliates throughout the state, located in Buffalo, Rochester, Binghamton, Utica, Albany, Kingston, New York City, and Long Island. A significant percentage of our membership, leadership and staff are people of color, and we organize in some of the most distressed neighborhoods in our state.

Citizen Action is a Steering Committee member of NY Renews, a statewide coalition of nearly 400 organizations that led the fight for the 2019 passage of the Climate Leadership and Community Protection Act ("CLCPA," "Climate Act," or "Climate Law"). I also help to direct Climate Can't Wait, a consortium of state climate organizations. Finally, Citizen Action has organized opposition to several proposed fossil fuel projects in New York, including projects that disproportionately impacted environmental justice communities, and participated in several Public Service Commission (PSC) proceedings on behalf of ratepayers.

Summary of recommendations

In this testimony, Citizen Action recommends the following steps:

- The state budget should allocate at least \$3 billion to the Sustainable Future Program (section II);

- The Legislature should call for the Governor to release the overdue cap-and-invest regulations (section II);
- The Legislature should pass legislation to generate much-needed revenue for the transition to a renewable energy economy (section II);
- The Legislature should strengthen proposed utility transparency and accountability legislation found in the Executive Budget (section III);
- The Legislature should reject any expansion of nuclear energy (section III);
- The state budget should pass the Renewable Capitol Act, Bucks for Boilers, the Packaging Reduction and Recycling Infrastructure Act, and legislation to promote the expanded use of solar energy (section IV).

New York stands firmly in the crossroads of both the climate crisis and the affordability crisis. In 2026, we must respond to a federal administration that is intent on empowering the oil and gas special interests while making it harder for the average New Yorker to get by. It is crucial that we respond with leadership and action as the federal administration attempts to halt crucial renewable energy projects that would provide clean and affordable energy for New Yorkers across the state¹. At the same time, the federal administration is making life more unaffordable through devastating funding cuts to healthcare, among other attacks on vital programs and resources².

Even as New Yorkers across the state struggle to keep up with rising rents, groceries, childcare, and medical bills, greedy utility companies continue to raise rates. The Public Service Commission, empowered to protect ratepayers from unchecked for-profit monopolies, continues to fall short in its mission. In one of the richest states in the richest nation in the world, it is unacceptable for New Yorkers to have to choose between purchasing medication and keeping the lights on.

In the face of these crises, it is crucial that the New York State budget delivers for its people with bold, proven solutions. Thankfully, we have legislation to safeguard our renewable energy future, protect disadvantaged communities, and lower our climate-warming greenhouse gas emissions: the 2019 Climate Leadership and Community Protection Act (CLCPA).

¹ <https://www.politico.com/news/2026/01/18/trump-offshore-wind-problems-00734850>

² <https://fiscalpolicy.org/making-sense-of-federal-funding-cuts-in-new-york>

The CLCPA is a legal mandate to rapidly cut greenhouse gas emissions, protect frontline and disadvantaged communities, and invest in solutions that lower costs and improve public health. The CLCPA is not a suggestion. It is the law. This year's state budget must reflect that reality and meet the moment by implementing the CLCPA and fully funding its solutions, not delaying or undermining the law. New Yorkers cannot afford more inaction, and the Legislature has a responsibility to ensure the budget advances both climate protection and energy affordability through proven renewable energy solutions like wind, solar, geothermal, and battery storage.

Defending and Implementing the CLCPA

As emissions-reduction mandates approach, New York State has defaulted to inaction and is failing to meet its legal obligations as set out in the CLCPA. The Hochul Administration has refused to release a critical proposed regulation mandated by the CLCPA, which would have required the reduction of greenhouse gas (GHG) emissions to meet the standards in the CLCPA; the statute explicitly requires that this regulation be issued by January 1, 2024. At the same time, Governor Hochul and her agencies have greenlit harmful and massive new fossil fuel projects, such as the Northeast Supply Enhancement (NESE) Pipeline, that lock us into burning fossil fuels for decades. Clearly this is an abandonment of the Climate Law³.

Last year, Citizen Action and three other advocacy organizations sued the Department of Environmental Conservation (DEC) due to its failure to issue the GHG reduction regulation (*Citizen Action of New York vs. DEC*). We joined the lawsuit because ignoring the Climate Law has real and immediate consequences for New Yorkers. We see this through sustained pollution poisoning disadvantaged and frontline communities while fueling the climate crisis and extreme weather events. In October, a State Supreme Court judge ruled in our favor, making it clear that the CLCPA is binding law that cannot be ignored because it is not deemed politically convenient by the Governor⁴. The state must act.

But instead of working to release the regulations and comply with the ruling, the DEC has chosen to appeal. We cannot afford more delay. Every year of inaction locks in higher emissions, higher energy costs, and greater harm to frontline and disadvantaged communities.

³ <https://nysfocus.com/2025/11/07/nese-gas-pipeline-approval-hochul-trump-new-york>

⁴ <https://nysfocus.com/2025/10/30/clcpa-ruling-hochul-appeal-new-york-climate-law-cap-invest>

While the federal administration wreaks havoc on clean, affordable energy progress and New York State's Executive Branch ignores the Climate Law, the Legislature holds an incredibly important role. It is up to the Legislature to demand that the state budget isn't loaded with measly half measures or false solutions. Instead, the Legislature must advance a state budget that begins to adequately fund the proven solutions outlined in the CLCPA in order to deliver for New Yorkers across the state, right when we need it most

II. New Revenue to Combat Climate Change

Our current energy system relies on a volatile fossil fuel market, for-profit utility corporations with consistently high returns on equity, and disinvestment in disadvantaged communities who are being hit hardest by pollution and extreme weather events fueled by climate change. The system is broken. To fix it and align it with our CLCPA mandates requires significant investment from the state. The Scoping Plan, issued as a mandate of the CLCPA, determined that we need to invest \$10 billion each year to meet our Climate Act mandates⁵. However, Governor Hochul's Executive Budget and State of the State address completely omit any significant climate funding.

Sustainable Future Program

In 2025, Governor Hochul and the Legislature included the Sustainable Future Program in the budget⁶. This program designated \$1 billion toward emissions reduction programs in buildings, thermal energy networks, electric vehicles, and other priorities⁷. That \$1 billion is just the beginning of a beginning point for meaningful climate investment. When taking into account the Scoping Plan's findings and the missed revenue resulting from Governor Hochul's sidelining of the cap-and-invest program, we clearly need to allocate more climate funding in the state budget. Unfortunately, right when we need determined leadership to stand up to the fossil fuel

5

<https://www.nyrenews.org/news/2021/10/19/analysis-shows-urgent-climate-action-would-have-significant-economic-benefits-for-nysnbsp>

6

<https://www.nyrenews.org/news/ny-renews-coalition-responds-to-the-sustainable-future-program-announcement>

7

[https://www.budget.ny.gov/pubs/press/2025/fy26-enacted-budget-sustainable-future-and-agriculture.html#:~:text=food%20supply%20chains.%22-,%20\\$1%20Billion%20Sustainable%20Future%20Program,and%20by%20modernizing%20grid%20infrastructure.](https://www.budget.ny.gov/pubs/press/2025/fy26-enacted-budget-sustainable-future-and-agriculture.html#:~:text=food%20supply%20chains.%22-,%20$1%20Billion%20Sustainable%20Future%20Program,and%20by%20modernizing%20grid%20infrastructure.)

special interests and move us toward our climate mandates, Governor Hochul has refused to add any additional funding to the Sustainable Future Fund from her Executive Budget. **We urge the Legislature to include at least \$3 billion in the Sustainable Future Program in this year's budget.**

Governor Hochul Must Release the Cap-and-Invest Regulations

The continued investment into the Sustainable Future Program is necessary to build off of last year's starting point; however, what is sorely needed is reliable, sustained funding for climate through a cap-and-invest system. Done well, cap and invest will hold big corporate polluters accountable by forcing them to pay to pollute while also gradually reducing the amount they pollute. New York State will then take those payments and allocate the funds to home efficiency and weatherization programs, renewable energy projects, meaningful investment in disadvantaged communities, rebates to protect ratepayers from utility profiteering, and more to save the average New York household money each year⁸. A model for how to properly design a cap-and-invest program is contained in legislation sponsored by Senator Parker and Assemblymember Kelles (S4651/A3975). **We urge leadership in the Legislature and individual legislators to call for the Governor to immediately release the regulations necessary to move the cap-and-invest system forward.**

Additional Revenue Generation

As extreme weather events like heat waves are increasing and utility bills are rising, the need for dedicated climate funding and revenue generation is clear. In addition to the continued investment in the Sustainable Future Program and the implementation of a strong cap-and-invest system, Citizen Action supports the following revenue generators:

Invest In Our New York Bill Package: Citizen Action strongly supports the Invest In Our New York (IONY) bill package, which would raise over \$40 billion to support our state's most urgent needs, including climate transformation. The package contains four bills to: 1. Make our income taxes more progressive (S.1622-Jackson/A.1281-Meeks); 2. Raise corporate tax on the most profitable corporations in New York (S.953-Hoylman/A.1971-Kelles, Shrestha); 3.

⁸

<https://www.rff.org/news/press-releases/new-york-states-cap-trade-and-invest-program-can-financially-benefit-many-households/>

Implement a capital gains tax to close the federal tax gap (S.1439-Rivera/A.676-Kim); 4. Create an heirs tax (S.914-Brisport/A.2049-Solages). We need leadership in the Legislature to support and pass these crucial bills to create sustained revenue, especially in light of the attacks from the federal government.

Stop Climate Polluter Handouts Act: Citizen Action also strongly supports the Stop Climate Polluter Handouts Act (S.3606-Krueger/A.3675-Simon), which would repeal certain fossil fuel-related tax expenditures and credits and limit fossil fuel-related companies from participating in certain economic development programs. As fossil fuel companies continue to pump climate-warming greenhouse gases into our atmosphere, they rake in record breaking profits. At the same time, New York exempts this super-polluting industry from \$1.8 billion in taxes. The Stop Climate Polluter Handouts Act removes \$350 million of tax breaks from the ultra-wealthy fossil fuel industry and saves state taxpayers from the burden of some subsidization of this harmful industry.

III. Energy Affordability, Utility Accountability, and Climate Justice

Across the state, greedy utility companies are raising rates to unsustainable levels for the average New Yorker. Governor Hochul has provided some language in her Executive Budget surrounding utility transparency and accountability, but we would be remiss not to mention that this Governor also vetoed the bill to create the Office of the Utility Consumer Advocate last year⁹. So while Governor Hochul may seem interested in utility accountability following her State of the State and Executive Budget, it is crucial that the Legislature remain vigilant, bold, and committed to passing true, strong utility accountability reform in the state budget. In addition, the Legislature must continue to call for Governor Hochul to provide rebates to ratepayers through cap and invest and reject costly new nuclear energy.

Establish the State Office of the Utility Consumer Advocate

The Office of the Utility Consumer Advocate would fight for the interests of utility ratepayers, presenting a strong and dedicated counter balance to the ultra-wealthy utility companies at the negotiating table with the Public Service Commission when it comes to considering new rate hikes. **We urge the Legislature to support the establishment of the “State Office of the**

⁹ <https://assembly.state.ny.us/mem/Jeffrey-Dinowitz/story/116366>

Utility Consumer Advocate” to represent residential utility customers before the PSC and other state and federal agencies (S.6277-Scarcella-Spanton/A.2468-Dinowitz).

The Governor’s Executive Budget Affordability Proposals

In her State of the State Address and her Executive Budget, the Governor heavily focused on the need for measures to strengthen the capacity of the Public Service Commission (PSC) to rein in high utility rate hikes. That is a goal we share. We are reviewing the details of her Executive Budget proposals and will provide more detailed comments on the utility affordability measures in the future. At present, we can say that her proposals are on the whole not strong enough to address the numerous shortfalls we and other consumer advocates have identified with the PSC. For example, a provision in Part P of the transportation, economic development and environmental conservation (TED) budget bill would require the appointment of an “affordability monitor” following any decision by the PSC “that results in an energy burden greater than three percent” for customers in regard to their gas or electric service. This monitor will have the authority, among other things, to examine the books, accounts and other records of utility companies. But following the monitor’s investigation, he or she is only mandated to report the “primary cost drivers that caused the energy burden to rise more than three percent.” **There does not appear to be any mandate for Commission action in response to these affordability monitor findings to reduce consumer energy burdens.**

We are also somewhat encouraged by the provision in Part N of the TED Executive Budget bill that requires each application for a major change in rates filed by a gas or electric corporation to include an alternate “budget constrained proposal” that does not increase the applicant's aggregate revenue by more than the annual consumer price index. We are hopeful that this will provide ideas to enable the Commission and advocates participating in rate cases to advance proposals to at least ameliorate the overall rate increases that residential customers will ultimately pay. However, we are concerned that a consequence of this proposal may be that energy savings measures or other measures that help the state to comply with the CLCPA will not be included in the budget constrained proposal. **We therefore recommend the addition of language that would ensure that the budget constrained proposal strongly advances the greenhouse gas emissions reduction mandated by the CLCPA, so that rate savings are not achieved at the expense of the climate.**

Cap and Invest Amplifies Energy Affordability Measures

By making big corporate polluters pay to pollute with a good cap-and-invest system, we can invest those funds into programs that safeguard New Yorkers from increased energy bills and costly extreme weather events like heat waves. To begin with, cap-and-invest funds can lift critical programs like EmPower+ that provide important funding sources for New Yorkers to upgrade their homes. Weatherization, home upgrades, and residential renewable energy and electrification programs will lower utility bills for many New Yorkers who are struggling to keep up. In addition, cap and invest can provide direct support to ratepayers through a rebate program.

While we are still awaiting regulations from Governor Hochul and the DEC, we know that the regulations need to be strong to ensure polluters are paying their fair share, can't maintain or shift their pollution in disadvantaged communities, and that the funds prioritize benefits for low- to moderate-income New Yorkers. The New York City Environmental Justice Alliance (NYC-EJA) report *Analyzing Affordability: Supporting Households under New York's Cap-Trade-and-Invest Policy* finds that households making under \$200,000 could see immediate benefits under a good cap-and-invest system¹⁰. When paired with electrification programs and appliances like heat pumps, households will find even greater benefits. **We need the Legislature to urge Governor Hochul to release the cap-and-invest regulations to increase energy affordability in New York State.**

New Nuclear Power Is A Costly Distraction Bound To Harm Ratepayers

In her State of the State, Governor Hochul increased her goal of new nuclear power from 1 GW to 5 GW. This amounts to more new nuclear power in New York than the rest of the nation has built in three decades¹¹. There are many reasons the rest of the country has not built that much nuclear power in the past 30 years. Nuclear power is enormously expensive, slow to build, and features an unsolved radioactive waste problem.

¹⁰

<https://www.rff.org/news/press-releases/new-york-states-cap-trade-and-invest-program-can-financially-benefit-many-households/>

¹¹

<https://www.syracuse.com/news/2026/01/hochul-ratchets-up-nuclear-plans-aims-to-lead-us-in-building-new-power-reactors.html>

In fact, ratepayers are already feeling the crunch from nuclear endeavours. In Georgia, the recently completed and much delayed Vogtle nuclear power plant resulted in massive cost overruns, nailing ratepayers with higher bills, totaling \$7.6 billion in increased rates¹²¹³. The track record and recent history of nuclear power's drain on ratepayers should be enough to stop Governor Hochul's reckless pursuit of a radioactive future. **We urge the Legislature to reject and block Governor Hochul's directive to construct 5 GW of new nuclear power in New York and to prohibit any funding for the expansion of nuclear capacity in New York.** The cost of new nuclear energy extends beyond the immediate impacts it will have on ratepayers who are already struggling to keep their lights on. This pursuit of new nuclear energy also distracts and obstructs the state from pursuing proven renewable energy solutions such as wind, solar, geothermal, and battery storage. Renewables provide safe and clean energy for New Yorkers without saddling ratepayers with a gigantic radioactive price tag.

IV. Additional Priorities

Renewable Capitol Act (A.3466-Romero/S.4842-Fahy)

The Renewable Capitol Act requires the Office of General Services (OGS) and the New York Power Authority (NYPA) to ensure that all operations that power, heat or cool state buildings in downtown Albany – including the Empire State Plaza and the Capitol – transition to renewable systems within three years. This bill will close the Sheridan Avenue Steam Plant that has polluted the disadvantaged community of Sheridan Hollow for over 100 years. Citizen Action also endorses the request of the Sheridan Hollow Alliance for Renewable Energy (SHARE) for an initial appropriation in this year's budget of \$150 million to complete the planning and begin the construction for a thermal energy network for the Capitol and Empire State Plaza, and an additional \$50 million to establish district geothermal in the Sheridan Hollow neighborhood, which has been victimized for decades by the actions of its neighbor, the State of New York.

¹²

<https://web.sas.upenn.edu/pcssm/news/another-voice-new-yorks-100-billion-nuclear-plan-would-worsen-its-affordability-crisis/>

¹³

<https://georgiarecorder.com/2023/12/19/state-regulators-pass-along-7-6b-tab-to-ratepayers-for-georgia-powers-plant-vogtle/>

Bucks for Boilers (A.6489-Stirpe/S.3476-Rivera)

Starting in 2030 for smaller buildings and 2035 for larger ones, the Bucks for Boilers bill would provide necessary subsidies to households to repair and weatherize their homes and upgrade to clean and higher efficiency heat pumps, phasing out old climate polluting gas-fueled boilers when their systems need replacement. The bill authorizes \$50,000 per household for the work and offers upfront full-coverage subsidies to low- and moderate-income households.

Packaging Reduction & Recycling Infrastructure Act (A.1749-Glick/S.1464-Harckham)

The Packaging Reduction and Recycling Infrastructure Act requires companies to reduce their product packaging by 30% in 12 years, including petroleum-based plastics. The bill also bans 17 priority toxic chemicals in packaging materials.

Expanding Use of Solar

We support a solar bill package which includes: 1. the Accelerate Solar for Affordable Power (ASAP) bill, which raises New York’s distributed solar capacity for residential, commercial and community solar with a goal of 20 GW by 2035 (A8758-Barrett/S6570-Harckham); 2. legislation to expedite permitting and to lower costs for residential solar (A6270-Cunningham/S5781-Harckham); 3. the Community SOLAR Act, which expedites permitting and lowers costs for community solar (A9087-Levenberg/S8119-Parker); and the 4. Solar Up Now New York Act (“SUNNY Act”), which exempts small-scale balcony or plug-in solar from the existing interconnection and net metering requirements for conventional solar panels, and prohibits utilities from approving or disapproving installation of these technologies, or charging customers a fee for installation (A.9111-Gallagher/S.8512-Krueger).

V. Conclusion

Thank you for the opportunity to comment on the environmental and climate provisions of the Executive Budget. If you have any questions, feel free to contact me at bcohen@citizenactionny.org or (518) 265-6183.