



January 28, 2026

## **Environmental Defense Fund Testimony for the Joint Legislative Hearing on New York's FY2026-2027 Executive Budget Proposals – Environmental Conservation and Energy**

Environmental Defense Fund (EDF) appreciates the opportunity to submit testimony to members of the Senate Finance and Assembly Ways and Means committees on Governor Hochul's FY27 Executive Budget proposals. Founded and headquartered in New York, EDF is a non-profit, non-governmental, and non-partisan organization that links science, economics, and law to create innovative, equitable, and cost-effective solutions to urgent environmental problems. EDF has over three million members and activists across the country, including over 260,000 in the state of New York. EDF has long pursued initiatives at the state, national, and international levels designed to reduce emissions of climate-altering and health-harming air pollutants.

### **I. Sustainable Future Program – Investing in affordable energy, clean air, and climate progress**

In a moment of federal opposition to clean energy, rising energy costs, and accelerating climate impacts, state leadership to secure clean, affordable energy and cut climate and health-harming pollution is more important than ever. Yet, the FY27 Executive Budget misses a critical opportunity to do so by omitting sustained investments in the Sustainable Future Program (SFP).

The SFP was introduced in last year's budget with a \$1 billion appropriation, directed to a range of clean energy and energy efficiency programs like Empower+, Clean Green Schools, thermal energy networks, and more. This represented a historic investment to scale up and establish new programs that would help lower energy bills and create job and economic opportunities for New Yorkers while cutting pollution.

### **EDF urges the legislature to continue its commitment to the Sustainable Future Program by investing \$1 billion in FY2027.**

The SFP supports projects that improve air quality, create union jobs, support energy affordability, and strengthen local infrastructure. By continuing to invest in the Sustainable Future Program, the legislature can ensure these benefits reach more New Yorkers while continuing the state's progress towards CLCPA goals.

We also recommend the legislature **require public reporting for Sustainable Future Program investments to increase transparency, accountability, and public awareness of program benefits**. Specifically, the funding should be subject to the same public reporting requirements included in the Clean Water, Clean Air and Green Jobs Environmental Bond Act.

#### *The Sustainable Future Program supports affordability*

The Sustainable Future Program includes appropriations to programs like Empower+ and the Green Small Buildings Program, which enable homeowners and renters to access energy efficiency and clean energy upgrades that cut costs, improve home comfort, and curb climate pollution. Under Empower+, for example, **the average participating household would see**

**annual savings of \$600 on utility bills.** EDF appreciates the additional \$50 million dedicated to Empower+ in the Executive Budget. Additional appropriations to this program and others through the Sustainable Future Program would help New Yorkers stabilize or lower their energy bills through more efficient homes and appliances and reduced exposure to volatile fossil fuel prices.

*The Sustainable Future Program supports job creation & economic opportunity*

Recent analysis from EDF and Greenline Insights shows that **\$1 billion in investments aligned with Sustainable Future Program would create 7,400 new jobs with 17% higher pay than the state median, generating a total of \$685 million in labor income.** Moreover, every dollar invested in the Sustainable Future Program delivers a 1.5x return on investment in terms of economic output.<sup>1</sup>

## II. Building towards the Clean Air Initiative

Investment in the Sustainable Future Program this year is critical to demonstrating the state's continued commitment to climate progress and energy affordability, particularly while other key policies for implementing the Climate Leadership and Community Protection Act – including the Clean Air Initiative – remain delayed.

The Clean Air Initiative – NY's cap-and-invest program – is projected to raise at least \$3 billion per year at the outset of the program, increasing over time, for investments in energy affordability, community-directed programs in DACs, and clean energy projects that would yield economic benefits in every corner of the state. Cap-and-invest is a durable, long-term mechanism for limiting greenhouse gas emissions and investing in clean energy and communities at the pace and scale required by the CLCPA.

The same analysis by EDF and Greenline Insights finds that over its first decade, the Clean Air Initiative would deliver:

- **\$6.9 billion in net savings**, or an average of \$1,060 per household earning up to \$200k per year — about 85% of households in the state.
- **Over 300,000 new jobs**, with job growth strongest in fields like construction and transit as a result of investments in clean transportation services, decarbonization of buildings, and the build-out of clean energy infrastructure.
- **\$48 billion in economic growth** supported by program investments across the state.

The program would also yield widespread benefits in every corner of the state:

- Regions experiencing the highest per-household net savings for working families include Mid-Hudson, Western New York and Long Island.
- Per-capita economic growth and job creation are strongest in rural regions (e.g. North Country, Mohawk Valley and Southern Tier), and absolute levels of these benefits occur in major population centers (e.g. New York City, Long Island and Mid-Hudson).

This analysis adds to a growing body of research demonstrating the economic benefits of cap-and-invest. For example:

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<sup>1</sup> Greenline Insights, "Investments for New York's Future, Economic Impacts from the New York Clean Air Initiative," January 2026, <https://www.greenlineinsights.com/new-york-clean-air-initiative>.

- A recent study conducted by NY Renews and the New York Environmental Justice Alliance finds that cap-and-invest could annually generate 17,000 direct jobs and 30,000 total jobs statewide.<sup>2</sup>
- Analysis by Switchbox finds that under a strong program that invests in comprehensive heat pump and weatherization incentives, cap-and-invest could help save the average New York household up to \$1,022 annually.<sup>3</sup>
- Analysis by Resources for the Future and NYC Environmental Justice Alliance finds that with dividends targeted by income and geography, nearly all households earning under \$200,000/year will see net savings under cap-and-invest.<sup>4</sup>

While the Clean Air Initiative regulations are in development, it is especially critical that New York affirm its commitment to continued climate and clean energy investments through the SFP to avoid further erosion of progress. Indeed, by increasing and accelerating investments in programs that can help households reduce energy use and shift from fossil fuels, robust climate and clean energy investment can serve as an energy affordability solution today and provide an on-ramp to an affordable cap-and-invest program.

### III. Resilience planning

As New York State continues the work of establishing its first ever resilience plan, it is essential that planning efforts be paired with adequate, dedicated staff capacity to ensure successful delivery and implementation. While funding has historically been available for statewide resilience planning, to date no dedication of funding for full-time resilience staff has been made. Currently, resilience efforts are overseen as part of agency staff's often broad portfolios, and the lack of dedicated staff is likely significantly fragmenting or delaying planning efforts and resilience outcomes. **We encourage the addition of at least three new dedicated resilience staff to support this work in line with the recommendations of the Climate Resilient New York Act (S3590/A8088).**

Experience from other states shows that a staffing gap can significantly limit implementation and coordination. For comparison, the State of New Jersey supports six full-time staff within their resilience office, which is dedicated solely to resilience planning. This has enabled New Jersey to advance complex inter-agency policies and planning throughout the state, including with robust support to local governments. **Digging out from the damage is costly, with estimates of up to six times more in spending when compared to proactive resilience measures.** A well-coordinated and adequately staffed resilience plan and office in New York would bolster effective risk reduction and prevention strategies, deploy limited state and federal funds more efficiently, and establish a politically supported suite of projects across the state – ultimately making New York safer for residents already experiencing devastating flooding, extreme heat, and other climate risks.

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<sup>2</sup> NY Renews, "Cap Pollution, Invest in workers; Job Creation from Proposed Clean Energy Policies in New York," December 2025,

<https://drive.google.com/file/d/15vgjFZZzE5F5Fa4nRj3z2GMJu7WVaFwR/view?usp=sharing>.

<sup>3</sup> Switchbox, "New York's Affordable Energy Future", <https://switchbox-data.github.io/reports/nyci>.

<sup>4</sup> Robertson, M. et al, "Analyzing Affordability: Supporting Households under New York's Cap-Trade-and-Invest Policy", Resources for the Future, January 2025, <https://www.rff.org/publications/reports/analyzing-affordability-supporting-households-under-new-yorks-cap-trade-and-invest-policy/>.