

**Testimony of The Nature Conservancy in New York Regarding the
Executive Proposed Budget for New York State Fiscal Year 2026-27
January 28, 2025**

On behalf of The Nature Conservancy's more than 80,000 New York supporters from every region of the state, thank you for the opportunity to submit written testimony regarding the Executive Budget Proposal for State Fiscal Year 2026-27 (FY27).

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 83 countries and territories to address the dual crises of global warming and rapid habitat loss. 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. Locally, we have our feet on the ground as the stewards of our 136 preserves in New York – almost 200,000 acres -- and we collaborate with all levels of government, community groups, industry, and other stakeholders to advance conservation work that benefits people and nature.

Thank you to the Senate and Assembly for your strong support of conservation, which has helped ensure that future generations can live safe, healthy, and prosperous lives in New York. Last year, through your leadership and collaboration with Governor Hochul, a historic \$425 million was appropriated for the Environmental Protection Fund (EPF). Investments in clean water continued through the \$500 million Clean Water Infrastructure Act. New capital commitments to State Parks and the Department of Environmental Conservation enabled projects that increase access to the outdoors and protect public health and safety. And a new \$1 billion Sustainable Future Fund was created to reduce pollution and mitigate climate change. Following the budget, you enacted legislation to expand access to hunting and improve forest health. The Nature Conservancy is grateful to you for making environmental conservation a priority, and we urge you to continue to prioritize clean water, clean air, and conservation in the coming year.

While the Executive Budget Proposal for FY27 continues funding important environmental programs, it also includes provisions that focus clean water funding on new development and make changes to the State Environmental Quality Review Act (SEQRA) that will spur sprawl and enable environmental harm while failing to address the shortage of housing that average New Yorkers can afford. Policy changes to address the affordable housing issue do not need to undermine environmental quality, and we look forward to working with the Senate and Assembly to build on proposals in the Executive Budget to ensure that the final agreement continues to deliver both clean water and affordability for New Yorkers.

Environmental Protection Fund (EPF)

Since 1993, when it was created with overwhelming and bipartisan 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 including all five boroughs of New York City. 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 New York communities. Simply put, the EPF is one of the state’s smartest investments.¹

The Executive Budget proposes to continue the historic funding level that was reached in FY26 by appropriating another \$425 million for the EPF. We urge the Legislature to appropriate at least \$425 million for the EPF as you negotiate the budget. This funding 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 program appropriations:

EPF Program	FY26 Appropriation	FY27 Executive Proposal	TNC Suggested FY27 appropriation
TNC Staying Connected Initiative	\$25,000	\$50,000	\$50,000
Open Space / Land Acquisition	\$42 million	\$42 million	\$42 million
Land Trust Alliance Conservation Partnership Program	\$3 million	\$3 million	\$5 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)	\$300,000	\$0	\$300,000
Water Quality Improvement	\$25.3 million	\$25.1 million	\$25.3 million
Invasive Species	\$18.55 million	\$18.55 million	\$18.55 million
Ocean and Great Lakes	\$24.6 million	\$24.6 million	\$25 million
Hudson River Estuary	\$7.5 million	\$7.5 million	\$7.5 million
Albany Pine Bush Preserve Commission	\$3.1 million	\$3.1 million	\$3.1 million
South Shore Estuary Reserve	\$2 million	\$2.1 million	\$5 million
Peconic Estuary	\$750,000	\$750,000	\$1 million
Zoos, Botanical Gardens and Aquaria	\$21.5 million	\$21.5 million	\$25 million
SUNY ESF Center for Native People & the Environment	\$1.142 million	\$1.142 million	\$1.142 million
Farmland Protection	\$25 million	\$25 million	\$25 million
New York City Urban Forest Plan Implementation	\$0	\$0	\$1 million

The Nature Conservancy supports adding funding to the EPF for the implementation of the New York City Urban Forest Plan,² and suggests the Legislature begin with \$1 million in FY27. In 2023, New York City enacted Local Law 148 which mandates the development of an Urban Forest Plan and requires the plan to be updated every decade with public input. The goal of the Plan is to increase and maintain the city’s tree canopy from approximately 23% to 30%, which would increase access to nature for New Yorkers, provide cleaner air, reduce deadly heat, and enhance community resilience and well-being. The Nature Conservancy works with Forest for All NYC,³ a coalition of more than 200 organizations supporting the goal of increasing forest canopy cover to 30% by 2035 and expanding the benefits of the urban forest to reach all New Yorkers. The draft Urban Forest Plan is now being finalized and is anticipated to be released later this year.

Appropriating \$1 million to support the implementation of the plan in FY27 would advance multiple priorities of New York State including the 30 by 30 conservation goal, planting 25 million trees by 2033,

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

² <https://www.urbanforestplan.nyc>

³ <https://forestforall.nyc>

climate mitigation and adaptation goals, and enhancing quality of life throughout all five boroughs. Long-term, the goal should be to increase annual support for the implementation of the Plan to \$10 million. These funds would support projects such as creating a community-based urban forest corps, management of trees on New York City Housing Authority properties, incentives to encourage tree planting by private landowners, data collection and analysis, the development of a plan for wood reuse to reduce waste, and monitoring programs including a tree census.

Clean Water Infrastructure Act (CWIA)

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, funding for the Clean Water Infrastructure Act (CWIA) has grown significantly in New York, and more than \$6 billion has been appropriated, including \$500 million in the current fiscal year.

The State of the State included a new commitment to clean water, aimed at delivering \$3.75 billion over the next five years, or \$750 million annually. **The Executive budget proposal includes a new appropriation of \$500 million for the Clean Water Infrastructure Act.⁴ The Nature Conservancy supports this appropriation.** The proposal also includes an additional \$250 million dedicated to two programs focused on facilitating development, with \$200 million “to support water infrastructure projects necessary to promote housing preservation and development in regions throughout state”⁵ and \$50 million “to support water infrastructure projects necessary to promote housing preservation in rural communities.”⁶

The Nature Conservancy supports the proposed \$50 million for preserving housing in rural communities, where there are fewer ratepayers in water districts to support infrastructure investments. Even with low or no interest loans from the state, it is difficult for rural water districts to maintain, repair, and upgrade water infrastructure because the high costs can be too much for a small community to take on. We support this appropriation and urge the Legislature to ensure it is included in the final budget agreement.

The Nature Conservancy supports appropriating an additional \$200 million for clean water, but urges the proposal included in the Executive Budget be amended to direct that funding to the Clean Water Infrastructure Act, which would increase that appropriation from \$500 million to \$700 million. This would allow the funding to be used for projects that enable communities to upgrade existing water and wastewater systems to support infrastructure needs and sound growth without providing an unwarranted taxpayer subsidy to developers.

Currently, when developers add new homes or other buildings to a community, they pay the cost of connecting the properties to the existing water infrastructure. The proposed \$200 million for housing development would put the obligation for these costs on taxpayers, rather than developers. In addition to shifting the cost burden of development to taxpayers, the proposal would increase long-term costs for operations and maintenance for infrastructure built in communities to support development without providing funding for that purpose. Given how much need currently exists throughout the state for water infrastructure repair, the goal of developing additional housing should be aimed at utilizing existing infrastructure so as not to induce sprawl that will increase costs for taxpayers and have other negative impacts.

We urgently need to modernize New York’s aging and failing drinking water and wastewater infrastructure that can’t keep up with the state’s current needs. New York communities in all regions of the state continue to suffer the consequences of failing infrastructure such as boil-water orders, water

⁴ Capital Projects Bill, A.10004 / S. 9004, p. 161, line 61 - p. 163, line 3.

⁵ Capital Projects Bill, A.10004 / S. 9004, p.163, lines 4-20

⁶ Capital Projects Bill, A.10004 / S. 9004, p.163, lines 21-37

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 our existing infrastructure across the state.

According to the U.S. 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 U.S. 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. That’s nearly \$90 billion needed to upgrade infrastructure we have today, to ensure clean drinking water and prevent sewage pollution. These needs should be the focus of clean water investments in the State Budget, and we urge the Legislature to redirect the proposed \$200 million for development and instead dedicate it to the Clean Water Infrastructure Act.

Amendments to the State Environmental Quality Review Act (SEQRA)

The Executive Budget proposes amendments to SEQRA. **The Nature Conservancy appreciates the purpose underlying the proposal and while we are open to discussing ways to achieve those goals, we cannot support the legislation as proposed.** As written, this proposal will simply exempt new development from environmental review without achieving affordable housing goals. Without being designed to target specific benefits identified as priorities by lawmakers, this proposal would reduce environmental protection without delivering on the policy goals.

Enacted in 1975, SEQRA requires all state and local government agencies to examine environmental impacts when they fund or approve an action, including but not limited to permits and land-use decisions.⁷ SEQRA is squarely aimed at protecting land, air, water, wildlife, natural resources, historic and cultural resources, community character, agricultural resources, and aesthetic resources. It is enforced by state and local governments, and while DEC issues regulations and guidance it does not enforce compliance by other agencies. SEQRA actions fall into three categories: Type II (pre-determined not to have significant environmental impacts); Type I (more likely to have significant environmental impacts and require an Environmental Impact Statement); and Unlisted (may require further review depending on potential impacts.)

The Executive Budget proposal makes several changes to SEQRA including exempting certain actions from review.⁸ **The proposed changes to SEQRA, along with the \$200 million water infrastructure funding focused on new development, were justified as measures to speed up and facilitate the development of affordable housing, yet neither proposal mentions affordability.** Without clear and specific qualifications, both proposals will be an open invitation for the continuing use of important green spaces for sprawling, expensive single-family housing that most New Yorkers cannot afford. The Legislature should accordingly amend the proposal on SEQRA to expressly focus on affordability and housing and limit its application to development that is consistent with the underlying policy goals.

The proposed changes to SEQRA include:

- Exempting from review housing developments in cities, towns or villages with a population of one million or more when the development meets all the following criteria:
 - Not located within a designated coastal flooding area
 - Not in an area zoned exclusively for industrial uses
 - Does not exceed 250 units, unless located within a medium or high density residential or medium or high-density mixed-use district where projects cannot exceed 500 units

⁷ SEQRA is Article 8 of NYS Environmental Conservation Law, implemented through 6 NYCRR Part 617.

⁸ TEDE Article VII legislation. A. 10008/S. 9008, Part R.

- Exempting from review housing developments in cities, towns or villages with a population of less than one million when the development meets all the following criteria:
 - Will be connected to existing community or public water and sewerage systems
 - Located at a “previously disturbed site”
 - Does not exceed 100 units
 - If a mixed-use project, contains no more than 50,000 square feet or 20% gross floor area of non-residential uses, whichever is less
- In addition to housing projects that meet the above criteria, the proposal exempts the following project types from review if located on “previously disturbed sites”:
 - Construction of public parks that do not include stadiums or venues for mass gatherings
 - Construction of multi-use bike and pedestrian trails
 - Construction of new or renovated childcare facilities that will be connected to existing community public water and sewage systems
- The proposal also exempts the following wastewater and water infrastructure project types from review, regardless of whether they are located on previously disturbed sites or not:
 - Replacement, rehabilitation or reconstruction of municipal water or wastewater infrastructure, in kind and on the same site, including lead service line replacement
 - Replacement, rehabilitation, upgrades or reconstruction of an existing small community water system
 - Projects to provide sewer service to disadvantaged communities served by one or more inadequate sewage treatment systems, if determined by DEC not to require a permit or approvals under Environmental Conservation Law Articles 15, 24 and/or 25, or any regulations pursuant to those articles.
- The proposal exempts from review retrofits of existing structures and appurtenant areas to incorporate green infrastructure.
- “Previously disturbed sites” are defined as:
 - Developed prior to two years before the application for a permit or authorization for an action;
 - Substantially altered by one or more of the following uses or a combination thereof, whether currently in use, abandoned, or demolished: buildings or structures, impervious surfaces, maintained lawns or other non-vegetated maintained areas, or public infrastructure utilities;
 - Not located in a Federal Emergency Management Agency (FEMA) designated 100-year floodplain; and
 - Not been used for agricultural purposes within three of the last five years before the application for a permit or authorization for an action

The Nature Conservancy suggests that if this proposal is expressly aimed at supporting the development of affordable housing, it must be expressly limited to focus on those projects. Accordingly, the statute must specifically define the types of housing development that would be eligible for “fast tracking” under SEQRA to ensure that they will meet affordability requirements for New Yorkers, and this privilege is not hijacked for development that will not advance affordable housing goals. In addition, the Legislature should amend the proposal to remove exemptions for non-housing projects, that is simply an unjustified removal of important environmental reviews.

The size of the housing projects proposed to be exempt from SEQRA review are excessive and should be reconsidered. Currently, in areas outside of New York City, residential development of three units or less is exempt from SEQRA review. This proposal would increase that to 100 units. That is an extraordinarily large change. **The Legislature should consider reducing the size of projects exempted from review outside of New York City.**

The definition of “previously disturbed sites” is too vague and should be clarified. This definition applies to projects that would be exempt from environmental review *outside* of cities, towns and villages of one million or more. The Nature Conservancy supports the concept of limiting the exemption from review to projects on previously disturbed sites, and with better definition this is an important aspect of the proposal. Furthermore, The Nature Conservancy supports the proposal excluding projects located within the FEMA 100-year floodplain from the SEQRA review exemption. These are important provisions, and The Nature Conservancy appreciates their inclusion.

Furthermore, the proposal makes amendments to various timelines associated with the SEQRA process. The Nature Conservancy believes these changes could provide more certainty for all parties involved in project review, including but not limited to project sponsors, lead agencies, and members of the community.

The definition of previously disturbed sites should be strengthened through amendments including:

- In addition to the FEMA 100-year floodplain, do not exempt from SEQRA review projects located within areas that are prone to erosion, which may or may not be located within a floodplain. These areas have a higher likelihood of danger for houses and could lead to catastrophic impacts if not properly reviewed.
- Remove agricultural land entirely from the definition and do not exempt development in these areas from SEQRA review. The language regarding agricultural land in the proposed definition is confusing, and there are more likely to be negative environmental impacts from developing agricultural lands. In addition, there are significant opportunities to work with farmers to utilize inactive agricultural lands for renewable energy which can be co-located with different farming activities, carbon storage through reforestation, and supporting the continued agricultural use of the land including by next generation farmers. The historic land use pattern that still exists in New York is forests convert to farms and then farms convert to other development such as housing subdivisions. Unless modified, this proposal is likely to accelerate that pattern rather than support farmers in maximizing the use of their lands with other, compatible purposes. While housing development on former agricultural lands will certainly continue, New York should not be inadvertently fast tracking or incentivizing that conversion.
- Amend the language regarding lands that are “substantially altered” by removing “maintained lawns or other non-vegetated maintained areas, or public infrastructure utilities.” This language could unintentionally open significant areas to development that should be given a hard look under SEQRA, including parks, golf courses, and open spaces with wildlife habitat. Open spaces such as forests could be clear cut and lawns could be installed to facilitate development without SEQRA review. Areas that have utility rights of way or a simple powerline running through them but are otherwise open space could be fast tracked for development rather than conservation.
- Amend the language to facilitate infill development that will enable smart growth, reduce vehicle miles travelled and infrastructure impacts, and create walkable and vibrant communities. This proposal provides a great opportunity to incentivize projects that utilize abandoned malls, office parks, and other areas that are currently blights in communities but could be restored to new housing connected to other community amenities and resources.

The Nature Conservancy will continue to review this proposal and may have additional suggestions to share with the Legislature as the budget discussion continues. We recognize the need to address the affordable housing shortage in New York and support measures to accelerate the efficient expansion of affordable housing while continuing to ensure strong environmental and public health protections.

Capital Funding and New Staff 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. It also includes another \$140 million in specific capital projects in State Parks. The Executive Budget includes \$90 million in New York Works capital funding for DEC. We urge the Legislature to support these appropriations.

As a frequent partner with state environmental agencies, 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 New York 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 with abundant, safe, and exciting new ways to connect with nature, and draw tourists to New York to enjoy our natural resources.

In addition to capital funding, the Executive Budget proposes new staff – 45 new FTEs – at the Department of Environmental Conservation. The Nature Conservancy supports this addition to the headcount at the Department, where the mandate has grown significantly as has the use of public lands and waters, requiring additional new people focused on public safety, permitting, and natural resources conservation.

Sustainable Future Fund

Last year the State Budget included \$1 billion for the Sustainable Future Fund aimed at mitigating climate change through funding projects that reduce air pollution. **The Nature Conservancy urges the Legislature to include another \$1 billion for additional projects that will improve air quality, create jobs, and economic benefits, and further the state's goals to build a clean energy economy and mitigate climate change.**

Should the Legislature amend the budget to include an additional \$1 billion, we urge that the defined uses for the Sustainable Future Fund 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 these projects 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.

Aid to Localities

The Executive Budget proposal does not include any funding for the Farmland for a New Generation New York program. Last year, this program provided \$700,000 through the Aid to Localities legislation. We urge the Legislature to restore this funding. Farmland for a New Generation New York is an impactful and comprehensive statewide program dedicated to farm succession and land access. Since 2018, the program has facilitated 234 land matches of new farmers with 11,285 acres of agricultural land to work on; delivered one-on-one technical assistance to thousands of farmers and landowners; and supported a statewide network of Regional Navigators in all 62 counties. New York's is facing a large-scale, intergenerational land transfer with nearly two million acres owned or operated by farmers over age 65. This omission of funding for this program puts the viability of these agricultural lands at risk.

The Nature Conservancy urges the Legislature to increase the appropriation for the Interstate Environmental Commission from \$41,600 to \$96,323.⁹ This increased appropriation would fulfill New

⁹ Proposed appropriation can be found in the Aid to Localities Appropriation Bill, A. 10003/S. 9003, p. 305, line 23

York State's obligation as set forth in the funding structure of the Tri-State Compact of 1936. The Commission is doing important work to improve water quality in Nassau and Suffolk Counties by supporting upgrades to septic systems which are contributing to nitrogen pollution causing fishkills, beach closures, and harmful algal blooms. The Commission is also working to monitor and improve water quality in Western Long Island Sound, the Gateway National Recreational Area beaches, Alley Creek, and Jamaica Bay. The Commission, a partnership of New York, New Jersey, and Connecticut, is an important partner to New York State in ensuring clean water for communities in the tri-state region and worthy of funding at the level that will fulfill New York's obligations and ensure federal matching funds are realized.

Conclusion

Thank you again for the opportunity to submit testimony on the proposed FY27 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.

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