



**Testimony of  
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**New York State Legislature  
Senate Standing Committee on Finance  
Assembly Standing Committee on Ways and Means  
Hearing:**

**The 2013-14 Executive Budget Recommendations for the  
Department of Environmental Conservation**

**February 4, 2013**



Chairman DeFrancisco, Chairman Farrell, Senator Grisanti, Assemblyman Sweeney, members of the legislative fiscal and environmental conservation committees, thank you for this opportunity to discuss Governor Cuomo's budget recommendations for the Department of Environmental Conservation (DEC) for State Fiscal Year 2013-14. The Governor's proposed budget represents a clear commitment to environmental progress.

DEC, like many of our sister agencies, had a very busy year in 2012. We finalized regulations for the water withdrawal bill you passed in 2011; conducted "Operation Eco-Quality" in environmental justice communities around the State; closed on the first phase of the historic acquisition of the Finch Pruyn property in the Adirondacks; completed upgrades at three DEC fish hatcheries; constructed several new boat launches; participated in an intensive program review of the Regional Greenhouse Gas program with the nine other RGGI states; discussed and drafted SEQR reforms with stakeholders; and developed an Environmental Audit Incentive Program. And Superstorm Sandy required "all hands on deck" as our rangers and environmental conservation officers joined local responders in evacuations and rescues and multiple DEC Divisions assisted in response and cleanup efforts. I toured the affected areas of Staten Island, Queens and Long Island several times and was awestruck by the devastation, loss and human suffering.

As soon as the storm subsided, DEC dispatched emergency contractors to remove oil from nearly 2,200 basements throughout the affected area. This was a critical activity because utilities would not restore electrical service to homes unless they had been pumped out. We even contracted for a barge in New York Harbor to be a central repository for waste oil. We issued 57 emergency authorizations to ensure the timely, safe and efficient removal of the hundreds of thousands of cubic yards of storm-generated debris; provided waivers of certain air requirements to facilitate fuel distribution and resumption of power; and issued two general permits which allowed homeowners and municipalities to undertake over 800 projects that were immediately necessary to protect local roads and homes. I am very proud of DEC's storm response, from the sawyers that cleared downed trees and crews that cleaned up oil spills, to staff that made sure that solid waste was being transported, stored and ultimately disposed of properly.

New York's coastline was battered: dunes were washed away, inlets silted in and the barrier islands breached. At DEC's request, the Army Corps has agreed to conduct \$150 million in repairs to seven existing coastal protection projects, at full federal funding. For example, the beach west of Shinnecock Inlet has just been repaired to safeguard the local fishing fleet and work is underway to protect the access roadway at Asharoken. DEC also identified new Army Corps projects that, if constructed, would provide additional shore protection such as construction of a dune system to protect Long Beach.

### **New York Works**

Thankfully, DEC got a jump start in 2012 on shoreline protection and flood control projects thanks to the funds you supported in the current fiscal year for the Governor's innovative "New York Works" program. The 2012-13 budget included just over \$100 million for DEC to initiate shore protection projects, and repairs and upgrades to State-owned flood control structures and dams. DEC has been aggressively implementing these projects during the last ten months. Seven New York Works shore protection projects will repair and protect our coastal areas from

storm damage: Moriches Inlet has been completed, Shinnecock Inlet is underway, and the remaining five are in the design or contracting phase.

In partnership with DASNY, DEC used these funds to contract for engineering analyses of all its high- and medium-hazard dams. The engineering reports have identified the repairs and improvements that will be required to bring these structures up to current safety standards. Next, we'll contract for the design and construction of these upgrades. DEC has also started work repairing 34 flood control structures, with nearly a dozen others in design. All-in-all, the New York Works initiative has enabled DEC to tackle some important deferred maintenance for infrastructure that plays an important role in protecting both public and private property and public safety. Importantly, it has also put New Yorkers to work.

In the 2013-14 Executive Budget, the Governor proposes to commit an additional \$40 million in New York Works funds to be administered by DEC. The funds would be used to:

- Provide funding to clean up municipally-owned contaminated sites, helping them to improve blighted neighborhoods and get properties back on the tax rolls;
- Provide grants for municipal water quality projects to make needed investments to address aging infrastructure, such as outfall disinfection, sewage systems upgrades or asset management planning;
- Invest in DEC's recreational facilities — including campgrounds, environmental centers, trails and fishing access sites;
- Address legacy orphaned and abandoned oil and gas wells; and
- Start an e-Business Initiative. The goal of this project is to bring DEC regulatory programs into the 21<sup>st</sup> century by transitioning to a web-based system that allows the regulated community to apply for permits, submit reports and make payments online. The goal is also to make DEC's transactions more transparent, reduce paperwork and help DEC do its work more efficiently.

These projects demonstrate the Governor's continued commitment to investing in environmental protection, outdoor recreation and public environmental infrastructure.

I'd like to highlight a few additional aspects of the Governor's 2013-14 Executive Budget as it affects DEC.

#### **State operations**

DEC's state operations budget would essentially remain the same as last year. The Executive Budget includes nearly \$452 million for DEC's State Operations and maintains our current staffing level of 2,916. The staffing level reflects a transfer of 74 employees from DEC to the newly formed Office for Information Technology Services. These staff continue to provide DEC's IT support.

#### **Environmental Protection Fund**

Governor Cuomo has proposed a significant increase in the EPF for SFY 2012-13, from \$134 million to \$153 million. This is great news for New York's environment. The Bottle Bill Article VII proposal would increase funding for the EPF by \$19 million next fiscal year and \$23 million

thereafter. The additional funds would be transferred from unredeemed deposit collections that currently flow into the General Fund.

As you know, the EPF supports a variety of environmental programs, many of which flow to municipalities. DEC uses funds to purchase land, build trails and parking lots and other amenities to allow the public to access and enjoy those lands. The EPF also allows DEC to provide grants to municipalities for recycling and water quality improvement projects, to name just a few. For example, this year DEC entered into contracts with 78 municipalities for \$12 million in recycling projects across the state.

This year, DEC purchased land that provides the only public boat launch in the Peconic Bay; added to the Zoar Valley Unique area; and accepted an easement for a portion of Pouch Camp on Staten Island. As I mentioned earlier, DEC used EPF funds to begin the historic acquisition of 65,000 acres of former Finch Pruyn lands in the Adirondacks. As these lands become available for use by the public, DEC will work with the communities to ensure that it will draw new visitors to the Adirondacks to help bolster the local economy. I am committed to ensuring that communities across the Park benefit from the State's purchase of these crown jewels.

The Governor has also proposed to provide \$5 million in EPF funds for flood resiliency projects, to support natural infrastructure projects to mitigate the impacts of floods, storm surge and other effects of climate change. We intend to use a portion of the funds to support a flood resiliency planting program to attenuate flood damage and the remainder to provide grants to municipalities to invest in natural infrastructure in their communities to make them more resilient. This could include green roofs, pervious pavement, rain gardens, vegetated swales and stream buffers.

#### **Article VII**

There are several Article VII proposals included in the Executive Budget related to DEC. The first would make waste tire fees permanent so that DEC can continue to clean up waste tire piles that are environmental hazards. Second, the Executive Budget once again proposes Article VII language to explicitly exempt the Conservation Fund from any sweeps. Although the Conservation Fund has never been swept, including this language is important to ensure that DEC continues to receive federal funds for fish and wildlife activities.

Finally, the budget includes a proposal to prevent fraud associated with the Bottle Bill. It is anticipated that these anti-fraud measures would enhance compliance and enforcement, which would result in more revenue from unclaimed deposits. These measures would level the playing field for businesses that comply with the Bottle Bill. As I mentioned earlier, the bill redirects a portion of the proceeds to the EPF, expanding it to \$153 million in SFY 2012-13 which will provide additional investment in environmental projects.

Between increasing EPF funding, investing in environmental infrastructure and maintaining staff and funding for DEC, the Executive Budget demonstrates Governor Cuomo's continued commitment to the environment. Thank you for inviting me to testify. I look forward to working with you to enact the Governor's 2013-14 budget so that we can continue our forward progress. I'd be happy to answer any questions you may have.

