

Testimony for the joint legislative hearing on the SFY 2023-2024 Executive Budget Proposal

Article VII TED Bill Requests

Sustainable Buildings: The climate crisis, the health impacts of pollution, the principles of economic and environmental justice, and the mandates of New York's climate law, the CLCPA demand swift, powerful action by NYS legislators. We call for the inclusion in the budget of the following three pieces of legislation and funding to expedite a just transition to renewable, affordable, healthy heat and energy.

 <u>The All-Electric Building Act</u> (S.562A|A.920A), which modernizes building codes to require new buildings under seven stories be all-electric starting in 2024 and larger buildings by 2027. The average new single-family home built in New York under this bill would cost less to <u>construct</u> and <u>power</u>, when compared to a fossil-fueled home. The Governor's budget proposal includes the provisions of this bill (Part WW of TED) in a significantly weakened form, with an unwarranted two-year delay and at least a year later than what the Climate Action Council (CAC) calls for, a reduced scope of the buildings covered, and process loopholes. <u>The NYS legislature should include the S.562A|A.920A process, building scope, and timeline provisions in their one-house budget resolutions.</u>

Dr. Bob Howarth, the CAC member appointed by Assembly Speaker Carl Heastie <u>stated</u> "... the greatest priority for meeting the goals of the CLCPA should be to reduce emissions from the building sector. I urge the Assembly and Senate to act to mandate that the State move away from fossil fuels more quickly than called for in the Council's Scoping Plan, using the guidance from the December 2021 draft Scoping Plan."

2. <u>The NY Home Energy Equitable Transition (HEAT) Act</u> (S.2016|A.xxxx), which reforms the Public Service Law to provide ratepayers relief from the burgeoning costs of subsidizing the gas infrastructure to the tune of \$200 million per year (unconscionable in its own right) and to

enable the state legislated <u>neighborhood-scale building decarbonization</u> by eliminating the costly "obligation to serve" gas. It also helps limit households' energy burden to under 6% of their income.

Eliminating gas hookup subsidies was part of the Governor's FY 2022-2023 executive budget proposal.

- The Energy Efficiency, Equity, and Jobs Act (S.2469|A.2655), which deploys funding for cost-saving energy-efficiency retrofits where they are most needed, helps remove health hazards from homes so they can undergo energy-efficiency retrofits, and helps ensure that the workers hired for energy efficiency upgrades include members of disadvantaged communities.
- 4. <u>Renewable Heat Now Funding Proposals</u>, which include the following:
 - <u>Green Affordable Pre-Electrification (GAP) Fund for low-to-moderate income households</u>: The GAP Fund, administered by NYSERDA or <u>HCR</u>, would support the state's goal of two million climate-friendly homes by 2030 by assisting low-to-moderate (LMI) households to weatherize and/or electrify their homes. It would provide funds for property improvements to address deferred maintenance and environmental health hazards, to update electrical systems, and to reduce energy bills. It would also enable LMI households to effectively utilize the weatherization and electrification resources available through New Efficiency: NY, the <u>Clean Energy Fund</u>, and the federal Inflation Reduction Act.
 - <u>Low interest financing</u>: These loans would ensure that all New Yorkers have access to no-cost and low-cost capital to finance the up-front costs of weatherization and electrification. We also request expanding the scope of the <u>Green Jobs Green NY</u> program to include financing for all the project types listed in the GAP fund above.
 - <u>Additional funding for the NYSERDA's Regional Clean Energy Hubs</u>: NYSERDA's Regional Clean Energy Hubs, launched in 2022, aim to provide a "one-stop-shop" experience for participants to connect them with state, local, and federal programs that fund weatherization and electrification as well as other agencies that serve low-income residents. Additional resources are needed to provide the hubs with the technology, training, technical support, and staffing necessary to achieve this goal.

Renewable Capitol: We applaud the Legislature's past rejection of a proposed \$88 million appropriation to add two new fracked gas turbines on Sheridan Avenue for the purpose of providing power to the Capitol and Empire State Plaza and to use the funding for energy efficiency, renewable energy, and electrification projects. However, the buildings that constitute the seat of state government continue to be heated and cooled by burning fracked gas in a low-income, primarily people of color neighborhood just blocks from state operations in Albany, which is inconsistent with the environmental justice provisions in the CLCPA. We urge the legislature to include converting the state Capitol, the Empire State Plaza, and other area state buildings to operate on 100% renewable energy within three years in their one-house budget resolutions. Legislation for a 100% Renewable Capitol has been reintroduced as senate bill S2689 by Senator Breslin and will soon be reintroduced in the assembly by Assemblymember Fahy.

We strongly urge the state to consider a geothermal energy network for heating and cooling for the Capitol complex. Colorado, Michigan, and Oklahoma already use geothermal or ground source heat pumps for thermal comfort in their capitol complexes. Such a system can be designed, installed, and operated economically without the need for excessive drilling due to the state capitol's proximity to the Hudson River, whose bed can harbor the closed loops for such a system.

REV Bill Request

Fossil Fuel Subsidies Elimination: The Stop Climate Polluter Handouts Act, S.3389 by Senator Krueger and Assembly Member Kelles is about revenue that can be returned to New Yorkers. New York State spends over \$1.6 billion annually in tax-payer funded handouts offered to the climate-destroying fossil fuel industry, all while they reap massive profits. This bill would repeal \$334 million annually (roughly 20%) of only the most egregious GHG emitting subsidies. Continuing these subsidies contradicts the intentions of the CLCPA and encourages business-as-usual for entities involved in the fossil fuel industry. The Stop Climate Polluter Handouts Act is a critical step to protect the climate, makes big industry pay its fair share, and raises revenue for our state. Eliminating these subsidies will lower the burden on taxpayers and move us towards our climate goals.

Appropriations Requests

Renewable Capitol Engineering Study: Currently, the New York State Capitol and Empire State Plaza are heated and cooled by the burning of fossil fuels in the environmental justice community of Sheridan Hollow. The legislature must include a \$1.5 million dollar appropriation in the budget this year to develop a plan on how to transition the New York State Capitol and Empire State Plaza to geothermal heating and cooling powered by renewable energy.

Environmental Protection Fund: The Governor's Capital Projects Appropriations bill once again seeks to offload state agency staffing costs onto the Environmental Protection Fund. We ask that provisions be added to keep the fund from being raided and used for staffing costs. The Fund should be used entirely for project grants

<u>**Clean Water Infrastructure Improvement Act:**</u> We support the \$500M proposed, but ask the legislature to consider increasing that to \$1B. The need to repair, replace, or upgrade our water infrastructure statewide far exceeds the proposed amount. In 2008, DOH and DEC estimated that the investment needed to upgrade New York's drinking water and wastewater infrastructure was close to \$80 billion. This did not take into account costs to replace lead service lines, remove emerging contaminants like PFAS, or address increased flooding caused by climate change.

Bond Act Staff Additions: We support staff additions to DEC, OPRHP and other agencies needed to administer the Bond Act. This will help restore staff levels so that these agencies can

more effectively deploy programs and funding. Municipalities across the state will need assistance with access to these important funds.

<u>Capital Funding To Support DEC and State Parks</u>: We support the proposed funding, but we do ask the legislature to consider increasing parks capital from \$200M to \$250M to match last year's levels. Matching last year's capital funding will help ensure both agencies can provide safe access to our public lands and world-class parks system, and undertake projects that also create jobs and boost tourism .

The Climate Reality Project is a 501(c)3 not-for-profit international organization founded and led by former Vice President AI Gore. It has several regional chapters and about two thousand members across NY State.