

Testimony Regarding the Environmental Provisions of Governor Hochul's Executive Budget Proposal for SFY 2022-2023

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As a steadfast and respected voice on New York State environmental policy issues, Environmental Advocates NY (EANY) thanks the Senate and Assembly for the opportunity to provide our recommendations on proposals contained within the environmental components of Governor Hochul's Executive SFY 2022-23 Budget Proposal.

We are encouraged by many proposals outlined in the SFY 2022-2023 Executive Budget that will provide necessary funding for critical environmental initiatives and are grateful for the commitment to the environment and renewable energy investments. However, at a time when our state is economically well positioned with surpluses, we are disappointed at the missed opportunity to tackle climate change and fund the implementation of our state's landmark climate law, the Climate Leadership and Community Protection Act (CLCPA).

NYSERDA conducted an integration analysis that was incorporated into the Climate Action Council's Draft Scoping Plan that modeled policy scenarios necessary to meet the emission reduction benchmarks mandated by the climate law. The analysis estimates that we need a minimum of \$10 billion in annual spending to put the state on track to meet its commitments and secure the health and economic benefits. The analysis also demonstrated that these investments to implement the CLCPA would result in net benefits to New York ranging from \$90 - \$120 billion through 2050. In addition to reducing emissions statewide, it will help reduce damage resulting from climate change, saving New York State an estimated \$260 billion.

We understand developing a roadmap to get to a fossil free future requires time, but we also know that the social costs of climate change are here and not paused while the state figures out a plan. The ongoing COVID-19 pandemic has highlighted once again the undeniable link that those living in the poorest air quality zones, primarily Black and brown communities, suffer the greatest health impacts from chronic asthma to heart and respiratory illness to premature death to now increased mortality rates from COVID-19. A lifetime of breathing dirty air, primarily polluted from the combustion of fossil fuels, has again left these disadvantaged communities overburdened and the most vulnerable to the climate crisis.

So, today with this year's budget process we call upon the Legislature and the Executive to think boldly about how to make the investments to tackle climate change and protect the most vulnerable. We acknowledge the climate law will require much from all New Yorkers to meet the goals of the law, but it also requires state-decision makers to do the same – under section 7 of the CLCPA *government decision-making, including the budgetary process, must consider whether its decisions are consistent with or interfere with the mandates of the law.*¹

We look forward to working with the Legislature and Executive on a budget that aligns with the climate law and moves us towards economic recovery through a green economy without leaving our most vulnerable behind.

Climate Initiatives

Funding the State's Climate Law: Ensuring the State meets the legally binding goals of the CLCPA is a top priority for EANY. The climate crisis presents an existential threat to New York and time is running out to prevent catastrophic warming. The CLCPA must be adequately funded if we are to become a carbon-free New York by 2050 and fair to workers and disadvantaged communities hit first and worst by climate change. NYSERDA in collaboration with the Climate Action Council found through a benefit-cost analysis that it will take at least \$10 billion a year to fund the policies and programs needed to reach the goals of the Climate Act. These initial investments will allow programs and actions to attain the pollution reduction, climate justice and equity mandates established by the CLCPA to happen. We are proud that this law focuses direct investments in disadvantaged communities, cutting carbon emissions and co-pollutants, and begins to address the impact state actions or inactions have had on environmental justice communities across the state.

The clean energy industry in New York is one of the fastest growing industries in the state economy, employing nearly 159,000 people (prior to the pandemic), and clean energy jobs have grown by more than 8% since 2016. Clean energy job growth doubled the average statewide job growth in 2018. This impressive job growth in recent years has made New

¹ 1. All state agencies shall assess and implement strategies to reduce their greenhouse gas emissions. 2. In considering and issuing permits, licenses, and other administrative approvals and decisions, including but not limited to the execution of grants, loans, and contracts, all state agencies, offices, authorities, and divisions shall consider whether such decisions are inconsistent with or will interfere with the attainment of the statewide greenhouse gas emissions limits established in article 75 of the environmental conservation law. 3. In considering and issuing permits, licenses, and other administrative approvals and decisions, including but not limited to the execution of grants, loans, and contracts, pursuant to article 75 of the environmental conservation law, all state agencies, offices, authorities, and divisions shall not disproportionately burden disadvantaged communities as identified pursuant to subdivision 5 of section 75-0101 of the environmental conservation law. All state agencies, offices, authorities, and divisions shall also prioritize reductions of greenhouse gas emissions and co-pollutants in disadvantaged communities as identified pursuant to such subdivision 5 of section 75-0101 of the environmental conservation law.

York the fourth largest clean energy economy in the nation. The state's climate and clean energy programs directly benefit communities because they create well paying, long-term, local jobs. As we experienced coming out of the Great Recession a decade ago, clean energy jobs have a track record for boosting economic recovery, while also directly benefiting communities by lowering energy costs and decreasing air pollution. Due to the evident climate crisis affecting the world now, globally, developed economies move in the direction of new, more efficient and renewable modern technology and away from the antiquated fossil fuels that ran our past with huge social consequences. New York must lead in this transition with an unprecedented upfront investment in our clean energy future that will result in billions of dollars in climate and health impacts avoided.

A core component of the climate law is the requirement that at least 40-percent of climate and clean energy funds be invested in disadvantaged communities. A dedicated CLCPA implementation fund on top of clean energy programs funded through the Regional Greenhouse Gas Initiative (RGGI), and the Clean Energy Fund will be essential to meeting this mandate and delivering jobs and GHG emission and co-pollutant reductions to the communities that have been hit hardest by the climate crisis and the coronavirus pandemic. These funds can also play a role in addressing the systemic racism that had led to Black and Brown people being disproportionately impacted by air pollution.

We urge the Legislature to include dedicated funding for the State Climate Law in the State Budget in order to build the infrastructure necessary for the clean energy economy and immediately start delivering resources to help communities and the state's workforce transition off fossil fuels to ensure we are providing the investments needed to truly matches the urgency of the climate crisis.

Regional Greenhouse Gas Initiative (RGGI): Since 2015, over \$200 million in RGGI proceeds have been transferred to the State Budget to supplant state spending on tax credits and other programs that are inconsistent with the equitable spending requirements included in the CLCPA. Unfortunately, this year's executive budget proposal diverts another \$23 million in climate funds raised through the RGGI program to the general fund. These funds support projects that help communities fight climate change, reduce air pollution, and create good green jobs. Every bit of funding is necessary for meeting our climate goals and protecting communities across New York, especially those that are the most vulnerable.

RGGI proceeds have always been intended to supplement New York's array of clean and efficient energy programs in order to enhance them and expand their reach to a broader set of customers. The CLCPA and NYSERDA's CO2 Allowance Auction Program regulations require at least 35% of that clean energy money to be directed to frontline environmental justice and disadvantaged communities. NYSERDA programs funded with RGGI dollars must be designed to maximize reductions of both greenhouse gases and co-pollutants in disadvantaged communities. The CLCPA requires that the state prioritize

projects that both reduce GHG emissions and eliminate criteria pollutants in historically disadvantaged communities when the state acts to meet its GHG reduction goals.

It is critical that RGGI funds, especially those dedicated to disadvantaged communities, be protected from diversions for purposes other than clean energy and carbon and pollution abatement. With the state projecting a surplus of funds over the next five years, there is no justification for continuing to raid climate and clean energy funds.

We urge the Legislature to reject the Executive’s proposal to transfer \$23 million to the state’s General Fund. The Legislature should also reject the proposed transfer of \$5 million to the Environmental Protection Fund. These transfers only serve to supplant environmental and clean energy funding and could be otherwise used to supplement programs and initiatives benefiting disadvantaged communities.

Advanced Building Codes, Electrification of New Construction, Appliance and Equipment Efficiency Standards: The buildings sector is the largest source of emissions, responsible for 32-percent of emissions statewide. The Executive Budget includes important tools to address buildings to assist in the successful implementation of the CLCPA. The proposal establishes new criteria for updating the state building code to align it with the CLCPA, eliminates automatic exemptions from the code and adopts a lifecycle cost-benefit analysis for new construction and renovations to existing structures, and requires zero on-site emissions for all new construction as soon no later than 2027. It also establishes new energy and water standards for appliances and products, including commonly used products such as battery chargers, streaming devices, restaurant equipment, air conditioners, and lighting used to illuminate large public areas.

Modernizing the energy code and electrifying new construction is essential to meeting the emissions reduction goals for the building sector by fast tracking the transition off fossil fuels for heating and other uses and facilitating the integration of electric vehicle charging infrastructure. NYSERDA estimates that new state appliance standards will provide annual savings to New York’s households and businesses of \$1.3 billion in 2030 and \$6 billion in total through 2035.

This legislation will help households and businesses save money, cut back on wasted energy and water, and improve air quality indoors and out. Electrifying all new construction, updated energy building codes, and appliance standards are critical tools for the successful implementation of the CLCPA.

We urge the Legislature to support the advanced energy building code and new appliance and equipment and efficiency standards. We support requiring the electrification of all new construction on a timeline consistent with the recommendations of the Climate

Action Council that all new single family and low-rise buildings be emissions free by 2024 and all remaining new construction by 2027.

Investments in Offshore Wind: We are encouraged that the Governor has recognized the need to expedite the development of the offshore wind industry in New York in order to meet the targets established by the CLCPA. The \$500 million included in the Executive Budget has the potential to position New York as the hub for the development of off-shore wind industry through investments in ports, manufacturing, supply chain and workforce development.

We urge the Legislature to support the Executive's proposal to dedicate \$500 million to build out the offshore wind industry in New York. It is critical that the equity provisions of the CLCPA be applied to these funds to ensure that no less than 40-percent be invested in disadvantaged communities.

Eliminate Fossil Fuel Expenditures: The CLCPA establishes the goals of 40-percent emissions reduction by 2030, and 85-percent by 2050. Reaching these goals requires a transition off fossil fuels at all market levels, which will allow the state to focus on investment in clean, sustainable energy sources. Fossil fuel related tax expenditures represent an estimated \$1.5 billion in state spending annually. The legislature should use the budget to begin the process of phasing these subsidies out, enabling immediate cost savings and facilitating our transition away from polluting fuels.

Understanding how we currently subsidize the fossil fuel economy through tax expenditures is an important step in assessing how the State can move away from supporting the fossil fuel industry. Legislation introduced by Senator Krueger and Assemblymember Cahill (S.4816/A.6882) to eliminate an initial group of expenditures that will save the state an estimated \$334 million.

The Legislature should consider eliminating the sales tax cap on motor fuels and examine exemptions for residential and non-residential energy.

Clean Transportation Initiatives

The transportation sector is the largest source of climate pollution in New York, representing 28 percent of the state's greenhouse gas emissions in 2019. Emissions from tailpipes are also responsible for smog, soot, and other toxics that contribute to adverse health outcomes, particularly in children, the elderly, and those suffering from chronic illness. New York's greenhouse gas reduction targets necessitate a transition from vehicles powered by internal combustion engines to a transportation system powered by clean, renewable electricity.

A transportation system powered by electricity requires significant investment in electric vehicles and charging stations, as well as electrification of mass transit systems. There are currently over 80,000 EVs on the road in the State and the number is rapidly growing, with sales in the first half of 2021 (approximately 18,000 EVs) exceeding the full-year sales in any previous year. There are just over 2,700 public charging stations available for use. This is simply not enough. In order to achieve an 85% reduction in greenhouse gas emissions by 2050, as mandated by the CLCPA, more resources must be dedicated to carbon free transportation options.

Electrifying School Buses: The budget requires all new school bus purchases to be zero-emissions by 2027, and all school buses on the road be zero-emissions by 2035. While we applaud the emissions reductions this proposal would yield, more needs to be done to ensure school districts in disadvantaged communities can afford this transition to electric school buses.

While there would be reimbursable Transportation Aid available for zero-emission bus infrastructure, as well as for purchasing or leasing electric buses, the funding solutions in the proposal overestimate how much school districts can afford up front. There should be an equal access opportunity for children riding the bus to breathe clean air.

We support requiring all new school bus purchases to be zero-emissions by 2027 and all school buses in operation in 2035 be zero-emission vehicles. We urge Legislature to consider funding streams in addition to the proposed changes to the Transportation Aid formula to ensure all schools have access to electric buses and not just the wealthy districts that can absorb the upfront costs.

Electrifying Public Transit: New York is home to North America's largest transportation network, serving over 15 million people each year. The MTA has committed to electrifying its bus fleet by 2040, and the Governor has committed to requiring other large transit agencies to electrify 25% of their fleets by 2025, and 100% by 2035. Meeting and exceeding these mass transit electrification goals will be essential to achieving the 2050 statewide emissions reduction goal. New Yorkers rely heavily on mass transit, and electrification of the transit system assures that New Yorkers have access to transportation systems that are safe, reliable and healthier for all.

This is the third year of a five year financial commitment of \$100 million toward electric public transportation. Governor Hochul's budget includes \$20 million to public transit agencies for electric buses and infrastructure but while \$40,000,000 has been allocated over the last two budgets, only just above \$9 million has been spent by the Department of Transportation to date. We must support and codify the e-bus purchase mandate and we must get money out the door more quickly. The State of California is already moving in this direction. At the end of 2018, the California Air Resources Board (CARB) adopted the California Innovative Clean Transit

Rule. The new CARB standard directs the relevant transit agencies in the state to ensure that by 2040 all public transit vehicles in the state will be zero-emissions.

New York has also made promising strides in this direction, with the MTA's 2018 announcement that they plan to transition to an all-electric bus fleet by 2040. Given New York City's size, the MTA accounts for nearly 10% of bus purchases in North America. The MTA's market share, combined with the purchasing power of New York's other transit agencies, will help jumpstart growth in the nascent electric bus manufacturing industry in the state. New York should not miss this opportunity to expand the MTA's initiative to all fleets across the state.

The Green Transit Green Jobs bill proposes a two-pronged solution for electrifying public transportation while providing well-paying green jobs for workers and a just transition for the workforce moving from fossil fuel powered to electric powered modes of transportation. The bill would require every public transit authority by Jan 1, 2029 to purchase only new zero-emission buses as they replace their buses. It also would encourage job growth in New York State's transportation manufacturing sector and provide a just transition for diesel-bus-reliant jobs through retraining programs. The Employment Plan would require every public transportation system eligible to receive public funds to use a "best value" contracting framework for purchasing electric buses.

There is no one size fits all approach to upgrading mass transit, as transit options vary by municipality, which is why local leadership is integral to electrifying fleets. Local governments and transit agencies need support and resources to fully electrify.

We urge the Legislature to support the Governor's commitment to electrify public transit fleets and expand upon it to cover all of New York's public transit systems while providing local governments and transit agencies the necessary resources to meet these goals. We also urge the Legislature to support policies that help support the build out of electrification and infrastructure in all transportation sectors.

Electrifying State and Municipal Fleets: Local governments are vital in achieving our transportation emissions reduction goals and well positioned to lead by example to help propel New York's transition to a clean transportation future. Aside from the health and environmental benefits that come with reductions in air pollution, transitioning to electric vehicles will bring significant economic benefits to households, businesses, and governments. Electric vehicles are simply more efficient than their gas-guzzling counterparts, costing 50 to 70 percent less to operate. Electric vehicles have fewer moving parts than those powered by internal combustion engines, meaning a reduction in maintenance costs, which can be significant when it comes to managing municipal fleets. Fuel savings over the life of an electric vehicle can add up to thousands of dollars.

Governor Hochul has dedicated \$17 million from the budget to electrify state light duty fleet. We must now codify state fleet requirements for light duty vehicles and ensure that medium and heavy duty vehicles are also included as part of this transition.

Local leaders can drive progress by fostering an environment that demonstrates not only are electric vehicles a viable alternative to gas and diesel fueled vehicles, but they are also a wise investment that will only serve to benefit the economic bottom line of local governments, businesses, and households.

We urge the legislature to continue funding and increase the amount of resources offered through programs designed to assist municipal procurement of electric vehicles and publicly accessible charging infrastructure.

Environmental Bond Act

Environmental Bond Act: The environmental bond act is an incredible opportunity to provide funding to protect our water resources, build our climate resiliency, conserve land and ecosystems, generate green jobs and economic activity and provide necessary funding to disadvantaged and frontline communities, and EANY strongly supports the Governor's proposal to rename and increase the Clean Water, Clean Air, Green Jobs Bond Act by \$1 billion to \$4 billion.

Across the state, flooding and weather-related damages have reached a crisis point with billions of dollars in damages and countless human tragedies. Climate change demands that we take steps immediately to prepare our communities for a future that will bring more water, more heat, and a need to conserve natural resources that we depend on for clean water and natural buffers to extreme weather.

A bond act will support more than 65,000 job in wide range of professions, allowing New York to leverage federal, local, and private funding to improve quality of life for New Yorkers; and the additional \$1 billion will allow more communities to benefit from projects that will improve air and water quality, mitigate climate change, increase resilience to flooding and deadly heat, conserve wildlife habitat and family farms, and provide new access to outdoor recreation.

We also support that the \$400M undesignated funds be used to support school bus electrification, in particular in disadvantaged communities.

We urge the Legislature to support the changes the Executive proposed to the Bond Act and encourage the legislature to use the undesignated funds to support school bus electrification.

Clean Water Initiatives

Clean Water Infrastructure: The need for water infrastructure funding is enormous. In 2008, DEC and DOH estimated that close to \$80 billion in investment was needed to fix New York’s drinking water and wastewater infrastructure. Not only is this figure outdated, but it is also a severe underestimate. It does not consider costs to replace New York’s estimated 360,000 lead service lines, remove emerging contaminants like PFAS and 1,4-dioxane from drinking water, or rebuild from increasingly devastating flooding caused by the climate crisis.

We were pleased to see Governor Hochul propose \$500 million in new funding for the Clean Water Infrastructure Act (CWIA), but the data we have collected demonstrates that \$500 million will not meet the demand from local governments eager to jump-start initiatives to protect their water. The result may be that critical programs go underfunded and shovel-ready projects are put on hold.

Since 2017, Environmental Advocates NY has been tracking and evaluating the largest program funded through the CWIA, the Water Infrastructure Improvement Act (WIIA), through our series of *Untapped Potential* reports. In November 2021, we published the latest edition in our series, [Untapped Potential: Building the Next Generation of Water Infrastructure](#).

Our report reveals that WIIA has been a remarkable success, and that the State Legislature’s continued support for this program has been paying off. WIIA awarded over 600 grants between 2015 and 2019, totaling \$1.2 billion in financial assistance, to projects in every county in the state outside of New York City.

WIIA has not had sufficient funding, however, to award grants to 100% of eligible, shovel-ready projects. In fact, the demand from local governments has been so great that WIIA could have spent around \$500 million annually since 2017. Therefore, investing only \$500 million in the entire CWIA, which funds a dozen different programs, in this year’s budget will likely leave WIIA and other programs able to support only a small fraction of projects to protect public health.

The data makes clear that \$1 billion in funding for the CWIA could be put to use immediately and have a quick economic impact. DEC has calculated that for every \$10 million that New York has invested in water infrastructure, 160 jobs paying prevailing wage were created. Investing in water infrastructure will also decrease pressure to raise water rates, helping to ensure every New Yorker can afford their water.

A \$1 billion investment in the CWIA will leverage historic levels of federal funding from the bipartisan infrastructure bill. The US Environmental Protection Agency has announced that New York will receive \$428 million for water infrastructure in 2022, the first of five years' worth of funding. Fifty one percent of this aid will come in the form of loan dollars, however, which on their own are inaccessible to many communities. Increased CWIA funds are needed to make the most of New York's new federal resources.

We urge the Legislature to invest \$1 billion in the Clean Water Infrastructure Act in the state budget.

Wetlands: Protecting New York's freshwater wetlands are vital to safeguarding clean drinking water, recharging our aquifers, and absorbing climate-change magnified flooding. These ecosystems are indispensable to our state's public health and climate responses.

To date, over 60% of New York's historic wetlands have been lost. Alarming rates of wetland dredging, filling, and drainage has only been worsened by COVID-19-induced development sprawl. New York can simply not afford to destroy these precious natural resources. Wetland protections are a powerful, cost-effective tool to keeping our communities above water, protect bountiful wildlife, and ensuring our drinking water is free from dangerous pollutants.

Now, New York has an opportunity to bring an additional 1 million acres into the state's protection by modernizing DEC's Freshwater Wetlands Regulatory program. Removing the program's outdated regulatory maps and arbitrary thresholds for permits will keep our wetlands safe in the decades to come.

We support the Governor's wetlands proposal and urge the Legislature to work with the Executive to ensure proposed reforms are as strong and robust as possible.

Lead Service Lines: Lead service lines (LSLs) have caused water crises and public health disasters across the US, most notably in Flint, Michigan and Newark, New Jersey. But LSLs are not limited to cities outside New York. An estimated 360,000 of these dangerous pipes are still delivering water to homes and businesses in our state, causing contamination and disproportionately harming low-income communities and communities of color.

New York now has a once-in-a-generation opportunity to get the lead out of drinking water and remove 100% of our state's LSLs. Thanks to the federal bipartisan infrastructure bill, our state is about to receive an unprecedented amount of investment, possibly over \$500 million over the next five years, from the federal government to remove LSLs.

This forthcoming federal funding, however, will not be enough to eliminate all of New York's lead pipes; well over \$1 billion will be needed statewide. To address this problem at scale, far more state funding is required.

It is time for New York to revamp and expand its Lead Service Line Replacement Program (LSLRP), created in 2017 through the Clean Water Infrastructure Act. The LSLRP which provides grants to local governments to dig up the full length of LSLs at no cost to homeowners. This prevents dangerous "partial LSL replacements," and ensures that homeowners already struggling to pay their grocery or electric bill are not burdened with the costs of lead pipe replacement.

A specific line-item allocation for the LSLRP through the Clean Water Infrastructure Act and the Environmental Bond Act is needed to dramatically up the resources provided for this initiative. The LSLRP has only awarded \$30 million in grants since 2017. As of 2019, the program had only replaced 200 LSLs, and to date it has only replaced approximately 2,000 LSLs. Many communities that received awards, including Albany and Newburgh, have used all of their funds.

We urge the Legislature to include line-item allocations for each of the programs funded through the Clean Water Infrastructure Act and the Environmental Bond Act, and provide at least \$100 million for the Lead Service Line Replacement Program.

Private Well Testing: Currently, private well owners in New York are not required to have their water tested for any drinking water pollutants. This likely leaves close to 2 million New Yorkers, served by an estimated 800,000 private wells across the state, in the dark as to what's in their water. Pollutants with established drinking water standards alongside toxic, unregulated contaminants are going under the radar and putting these New Yorkers' health at risk.

The Private Well Testing Act (S.48) would require well testing before the sale of a home and every five years by landlords leasing property served by a private well. Rockland County, Westchester County, and New Jersey have all enacted private well testing laws similar to S.48, and their testing programs have uncovered significant levels of contamination over the years.

It is essential for the State Legislature to add PFAS and 1,4-dioxane to the list of chemicals required for testing under S.48. Recent contamination detected in private wells in places like Poestenkill, NY has shone a light on the need to proactively monitor for these emerging contaminants in private wells statewide.

Low-income, rural New Yorkers may not be able to pay hundreds of dollars to have their drinking water tested. Moreover, if harmful levels of contamination are detected, New Yorkers may face costs to install treatment technology running into the thousands of dollars. Where a polluter cannot be identified or contaminants are naturally-occurring, state funding to cover the cost of testing and treatment will ensure that pollution is found and eliminated.

Funding from the Clean Water Infrastructure Act should be provided to support the implementation of S.48. Current CWIA funding is available to DEC and DOH to conduct testing and treatment of private wells surrounding sites contaminating drinking water (Title 12 of Article 27 of the Environmental Conservation Law), but this section would not authorize the agencies to pay for the proactive monitoring required by S.48.

We estimate that the cost to test for the contaminants included in S.48, as well as PFAS and 1,4-dioxane, is around \$1,000, and that the total annual cost of testing across New York under the bill would be approximately \$12.8 million. Given that a proportion of wells will need treatment technology installed, providing \$20 million through the Clean Water Infrastructure Act in this year's budget will ensure resources are available to get clean water to every private well owner who needs it.

We encourage the Legislature to include the Private Well Testing Act (S.48) in the state budget, along with providing resources through the Clean Water Infrastructure Act for its implementation, funded at \$20 million this year.

Utility assistance: The COVID-19 crisis has highlighted the need for all New Yorkers to have access to clean, safe, and affordable water. But for many New Yorkers, the pandemic exacerbated existing burdens of unaffordable water and sewer bills, and it has placed many more in that same precarious position. It is imperative for the State Legislature to provide ample financial support for New Yorkers still struggling to recover from the economic impacts of COVID-19 and facing insurmountable water bill debt.

This past December, New York's utility shut-off moratorium expired. New Yorkers still behind on their water bills are now at immediate risk of having their water shut-off or having a lien put on their home. In Buffalo, where water shut-offs for nonpayment are a permitted practice, there were over 30,00 households in water arrears last summer. The scale of the crisis is also evident from data provided by the Suffolk County Water Authority, where customers cumulatively owed over \$30 million last year. Because water utilities are not required to publicly report data on the number of customers in arrears and the amount owed, these examples are just a snapshot of the number of New Yorkers at risk of losing access to drinking water.

New York's primary avenue to support New Yorkers struggling to pay their water bills is the federally funded Low Income Household Water Assistance Program (LIHWAP). The program began accepting application on December 1st and intends to distribute roughly \$70 million to water providers to eliminate customers' water arrears. While these funds are essential, the scale of water debt across the state is far greater. With energy arrears totaling over \$1 billion, it is extremely likely water and sewer arrears total at least several hundreds of millions. Since LIHWAP is New York's only program dedicated to water assistance, New York must appropriate more funds to this critical program.

We support the Executive's proposal to appropriate \$120 million to the Low-Income Household Water Assistance Program. In addition, we urge the Legislature to work with the Executive to allocate an additional \$280 million dollars to water and wastewater arrears from pandemic recovery funds.

Solid Waste Initiatives

Extended Producer Responsibility for Paper and Packaging: Developing solutions for tackling the solid waste crisis requires innovative thinking, holding producers responsible for their waste impacts, and refocusing our policies on the waste hierarchy, starting with reduction and reuse. We are drowning in trash and plastics that are wreaking havoc on our environment, communities, municipal curbside recycling programs, and perpetuating the climate crisis.

In fact, the Climate Action Council Draft Scoping Plan identifies the waste sector as a significant contributor to greenhouse gas emissions – 12% of the state's emissions. The Draft Scoping Plan identifies that some of the greatest GHG emissions impact does not occur from disposal, but from production of the products and packaging that eventually become waste. This statement importantly highlights the need for waste reduction policies.

While we strongly support the Executive proposal to address paper and packaging through EPR, such a program must institute policies that reduce our waste, relieve the burden on local governments, as well as foster a circular economy in which products are used for as long as possible. This includes ensuring all New Yorkers have convenient access to recycling; recycling is clear and not confusing for households; meaningful targets and goals to achieve waste reduction are legislated; burning plastics or creating fuels out of burning materials is not considered recycling; and toxics are eliminated in packaging so we can build a path to a circular economy.

In addition, the Legislature should consider expanding the bottle bill within the context of an EPR program for paper and packaging (either within the same proposal or separately) because these programs complement each other significantly. New York's bottle deposit

program is the most effective EPR program New York has on the books. While the program requires some modernization, expanding the bottle deposit program to include additional beverage and increasing the deposit from 5 cents to 10 cents is the quickest and easiest way to effectively remove and recover materials from the waste stream.

We strongly urge the Legislature to work with the Executive to include an Extended Producer Responsibility program for paper and packaging that achieves the goals outlined above.

Responses to other SFY 2022-2023 Budget Proposals

Environmental Protection Fund (EPF): We strongly support the Executive's proposal to appropriate \$400 million for the EPF, which is a landmark increase in funding that remained stagnant for far too long. A \$400 million EPF will advance work to protect our environment and improve quality of life in every county of New York State. This funding marks a huge step forward on the path to achieve the environmental community's long-term goal of a \$500 million EPF.

We strongly support the Governor's proposal and urge the Legislature to support an EPF of at least \$400 million.

Brownfields Opportunity Program: The Executive Budget proposes legislation extending the Brownfields Cleanup Program (BCP), which is due to sunset at the end of 2022, to December 31, 2032. We are supportive of extending the Brownfield program, which provides important incentives to cleanup and develop vacant or underutilized lands. These Brownfield sites are particularly important as spaces for renewable energy development as the state tries to meet the goals of the CLCOP. In particular, the Executive proposes to increase the brownfield tangible property tax credit for brownfield redevelopment projects in conforming Brownfield Opportunity Areas (BOAs), certified by DOS and in disadvantaged communities; provides brownfield tax credits to redevelopment projects in New York City that are located in a conforming BOA or will be developed as a renewable energy facility site and requires a \$50,000 fee upon execution of a Brownfield Cleanup Agreement with DEC. We are also supportive of the additional Brownfield staff positions and additional \$3.25m for brownfield opportunity area (BOA grants) provided through the EPF.

We support the Executives proposal for the above-mentioned proposals and urges the extensions be targeted just these areas. It's time to focus the resources of this the twenty-year long program to direct attention to appropriate development (renewable energy) and direct investments in disadvantage communities.

Department of Environmental Conservation Staffing: Our environmental agencies require increased staff capacity to implement their missions, which include natural resources conservation, public recreation, public health and safety, permitting, pollution reduction, ensuring we meet the requirements of the state's climate law and more. The Executive budget proposes increases in staff numbers at the Department of Environmental Conservation (94), State Parks (53), and Agriculture and Markets (31). These additional staff, along with the recent lifting of the state agency hiring freeze, will begin to restore staff levels so that these agencies can more effectively deploy programs and funding. We are hopeful that this is the start of a trend of increasing state agency personnel levels so that they become sufficient to meet the high demand for programs, and that the Administration and Legislature will build further on this progress in the future.

Centers of Excellence in Children's Environmental Health: Children's health has changed for the better. Thanks to public health innovations, infectious diseases are no longer the primary cause of morbidity and mortality. But today's children are afflicted with chronic diseases that start in childhood (and often evolve into adulthood) with debilitating effects on not just the children themselves, but their families and communities. Environmental factors play a dominant role. The cost of environmental disease in New York State is over \$6 billion per year. The Centers of Excellence in Children's Environmental Health are a statewide network of health professionals and institutions whose mission is to provide cost effective interventions to children, families and communities, and offer much-needed expertise on environmental illnesses to physicians across the state who are largely untrained in this area.

This network is an important and invaluable resource for New York. We support the ask of the Centers for an increase in the Governor's proposed EPF to provide \$4M to support these centers. This program is critically important to ensure the health of our children and has been at \$2M since its inception in 2014. At a time when the state has the resources, an increase in funding for the centers will ensure that this important work has adequate resources.

Environmental Advocates NY's mission is to protect our climate, air, land, water, and the health of all New Yorkers. Based in Albany, we monitor all levels of state government, evaluate legislative proposals, champion policies and practices that will benefit our shared environment and fight against detrimental ones. We work to build political power and bring the voices of New Yorkers to Albany with a goal of making our state a national environmental leader.