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Public Hearing to Examine the Legislative and Budgetary Actions Necessary to Implement the Climate Action Council Final Scoping Plan

Hon. Liz Krueger, Chair

New York State Senate Finance Committee

Hon. Kevin Parker, Chair

New York State Senate Energy & Telecommunications Committee

Hon. Peter Harckham, Chair

New York State Senate Environmental Conservation Committee

Dear Chairs,

Thank you for the opportunity to testify on the implementation of the Climate Leadership and Community Protection Act and the Climate Action Council Final Scoping Plan today. My name is Reyna Cohen and I am the State Climate Policy Coordinator for ALIGN: Alliance for a Greater New York. ALIGN organizes labor and community for a just and sustainable New York. ALIGN is a founding partner and Steering Committee member of NY Renews, a coalition of over 300 environmental, justice, faith, labor and community groups that was instrumental in the passage of the landmark Climate Act in 2019 and continues the fight for good jobs and climate justice. ALIGN is also a partner with the UpgradeNY collaborative calling for the construction of thermal energy networks and the decarbonization of state-owned buildings. Lastly, ALIGN is the co-coordinator of the Climate Works for All coalition of labor, faith, and community groups fighting for a just transition toward an equitable, green economy in New York City.

In 2019, ALIGN stood alongside our labor, environmental, and community partners in NY Renews to pass the Climate Leadership and Community Protection Act (the Climate Act) to meet the urgency of the climate crisis, protect our frontline communities, and grow the just green economy. The Climate Act is nation-leading climate legislation, promising a 40% reduction in emissions by 2030, a 70% renewable electricity grid by 2035, and a just transition for disadvantaged communities; all of which are integral to ensuring New York's future is livable, affordable, and just. Yet our progress toward achieving these mandates in the intervening years has been limited. According to the State's most recent GHG inventory, although emissions decreased to 15% below 1990 levels in 2020, "annual emissions levels are expected to increase from 2020 levels in future reports for 2021 and 2022." Worse still, renewable resources account

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¹ Hochul, Kathy and Seggos, Basil. (December 30, 2022). 2022 Statewide GHG Emissions Summary Report. New York State Department of Environmental Conservation. Retrieved from https://www.dec.nv.gov/docs/administration_pdf/ghgsumrpt22.pdf.

for less than 30% of the state's electrical grid,² and the lingering impacts of the COVID-19 pandemic alongside the current economic crisis have only amplified disproportionately negative outcomes driven by climate change, environmental racism, and structural inequalities in disadvantaged communities.³⁴

In implementing the Climate Act, with its guardrails to not just protect but uplift disadvantaged communities and its promise of a minimum net increase of 189,000 jobs by 2030⁵ – and up to 150,000 added jobs per year⁶ – New York has an opportunity to reprioritize its workers and create an equitable green energy economy that is accessible to all. Yet, in order to meet the enormity of this opportunity, New York must deliver on funding, policies, and programs that move us concretely and swiftly toward reaching our climate mandates.

Climate, Jobs and Justice

In June of 2022, three years after the passage of the Climate Act, ALIGN stood with 12 of our brothers and sisters in the labor movement – including AFSCME DC 37, Communication Workers of America District 1, Communication Workers of America Local 1109, IUE-CWA, New York Council of Sheet Metal Workers, New York State Nurses Association, Professional Staff Congress-CUNY, SEIU 32BJ, Teamsters Joint Council 16, United Auto Workers Region 9, United Auto Workers Region 9A, United University Professionals, as well as Jobs to Move America – to demand climate justice alongside protections for and direct investments in our workers and disadvantaged communities in the Final Scoping Plan.⁷ Specifically, our demands were:

- A Community and Worker Transition Assistance Fund established within the New York State budget to provide direct support to workers in fossil fuel-dependent industries as well as communities home to fossil fuel infrastructure. This funding should provide full pension support and wage replacement for displaced workers, tax base replacement for local governments and school districts, and energy transition and economic development planning grants for communities.
- Requiring strong labor standards on any projects that use State funds or take place
 on State property, including strengthening existing labor standards under §224-a of the
 New York Labor Law. Strong labor standards should include: prevailing wage and
 benefits, project labor agreements, community benefits agreements, local hiring, use of

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² U.S. Energy Information Administration. (November 17, 2022). "New York State Profile and Energy Estimates." Retrieved from https://www.eia.gov/state/analysis.php?sid=NY.

³ "Coronavirus and Climate Change." Harvard T.H. Chan School of Public Health. Retrieved January 28, 2022 from https://www.hsph.harvard.edu/c-change/subtopics/coronavirus-and-climate-change/

⁴ Casselman, Ben and SMialek, Jeanna. (August 8, 2022). "In an Unequal Economy, the Poor Face Inflation Now and Job Loss Later." *The New York Times*. Retrieved from https://www.nytimes.com/2022/08/08/business/economy/inflation-jobs-economy.html.

⁵ Just Transition Working Group. (December 2021). 2021 Jobs Study. New York State.

⁶ Pollin, Robert; Garrett-Peltier, Heidi; Wicks-Lim, Jeanette. (November 2017). *Clean Energy Investments for New York State: An Economic Framework for Promoting Climate Stabilization and Expanding Good Job Opportunities*. University of Massachusetts-Amherst.

⁷ New York State Nurses Labor Supporting Climate CLCPA Sign-On Letter

pre-apprenticeship and apprenticeship programs, and, where applicable, labor neutrality agreements.

- Buy NY and best value procurement provisions to (a) incentivize job creation through
 the bidding process along the clean energy, clean transportation, and low-carbon supply
 chains; and (b) encourage and prioritize high-roads employers to compete up through
 earning extra credit for good job creation and training commitments. These provisions
 should be recommended alongside additional policies and programs to incentivize
 employers to bring high-quality union jobs to New York.
- Concrete strategies to aid workforce development, including direct funding within the New York State budget as well as additional resources to aid (re)training, workforce development, continuing education, apprenticeship, and pre-apprenticeship programs across sectors. This should include funding for wage coverage to support worker attendance at existing training courses.
- Centering the health and wellbeing of disadvantaged and environmental justice communities, first and foremost through clearly defined "disadvantaged communities" to ensure funding and infrastructure projects are properly targeted to overburdened communities
- Large-scale consistent, recurring funding for climate solutions; and
- Enforcement for climate mandates, including sector-specific timelines for emissions reduction

With the inclusion of many of these demands as recommendations in the Final Scoping Plan, it is now the duty of the Governor, State agencies, and the legislature to realize these commitments in full.

For our demands which have not been formally integrated into the Scoping Plan but that we and our allies nevertheless see as integral to achieving the State's emissions reduction, climate justice, and jobs creation goals, the legislature, Governor, and relevant agencies should continue working with the climate justice and labor movements to ensure that Climate Act implementation both achieves its mandates and engenders worker and environmental justice.

To deliver on these recommendations as outlined above and within the Scoping Plan, we therefore stand with New York Renews and our allies in calling for the passage of the Climate, Jobs, and Justice Package (CJJP) this session. The CJJP, informed in part by ALIGN's coordination with over 15 partners in the labor movement, unites key priorities of New York's labor and climate movements while also presenting ready-made legislation to deliver on budget and policy recommendations laid out in the Final Scoping Plan. More than this, though, the CJJP is fundamental to moving New York forward in the implementation of the Climate Act. The

three key demands of the CJJP are:

1. Fully Fund and Implement New York's Climate Act Through Adoption of the Climate and Community Protection Fund

The Climate and Community Protection Fund (CCPF), legislation which (a) creates a place to aggregate the State's disparate existing and new climate funding; and (b) provides a structure to direct the funds to the necessary new and existing agencies, programmes, pilots, and policies to support climate action, is essential to meeting the climate crisis and implementing the Scoping Plan. The CCPF directs money into four distinct accounts that accord with priorities in the Climate Act, the Scoping Plan, and the needs of New Yorkers. These accounts are as follows:

- (1) The Climate Jobs and Infrastructure Account which supports building out New York's clean energy economy across sectors identified in the Scoping Plan, reducing emissions while growing good, green union jobs for all. Key programs identified in this account that support Scoping Plan implementation include:
 - Expanding funding for Offshore Wind Ports, Manufacturing, and Supply Chain investments
 - Expanding funding for the P-12 Clean Green Schools Initiative
 - Purchasing and supply chain investments designed to support the
 electrification of New York's school bus and public transit bus
 fleets, including dedicated funding for (a) electric bus
 manufacturing; (b) job training for electric bus operations,
 maintenance, and charging infrastructure; and (c) investments in
 electric bus purchasing, including gap funding for electric school
 bus purchasing as well as monies to purchase public transit
 busses and full funding for the Truck Voucher Incentive Program
 - Investments to support the development of community thermal energy networks and the implementation of utility thermal energy networks
 - Monies to incentivize zero emissions in the hard-to-decarbonize industrial sector
 - Electric garbage truck matching grants
 - Comprehensive workforce development funding including expanding the Building and Operations Maintenance program and strengthening the Regional Clean Energy Hubs program
- (2) The Community-Directed Climate Solutions Account designed to help the State deliver on climate justice in Climate Act implementation by providing direct assistance to community-level organizations and projects supporting community-directed climate solutions within disadvantaged communities. Key programs identified in this account that support Scoping Plan implementation include:

- Comprehensive funding to establish the Community Directed Climate Solutions Grant Program
- (3) The Community and Worker Transition Assistance Account aimed at providing direct support to impacted workers and communities as recommended in the Final Scoping Plan. Key programs identified in this account that support Scoping Plan implementation include:
 - Individual worker assurance funding and wage guarantee planning support
 - Planning and pilot funds for benefit supports including early retirement, pension liquidity, and health benefit maintenance supports
 - Funds to support decarbonization assistance, energy transition assistance, workforce layoff avoidance, and retraining for high-emissions sectors, including specific monies for transitioning utilities and utility workers
 - Dedicated workforce training and transition funds, including expanding the On-the-Job Training for Energy Efficiency and Clean Technology program
 - Transition planning and tax replacement funds to communities, including expansion of the Electric Generation Facility Cessation Mitigation program and the Just Transition Site Reuse Planning program
- (4) The Energy Affordability Account to help realize New York's energy affordability policies and support working families across New York in affording their home, transportation, and energy costs. Key programs identified in this account that support Scoping Plan implementation include:
 - Green Affordable Pre-electrification funding to support pre-electrification home retrofits
 - Statewide Low-income transit fare supports
 - Utility debt relief
 - Wraparound services such as transportation and childcare support for workforce development programs

In addition to these key sub-accounts, the CCPF includes gold-star labor standards that will help the State guarantee good, green union jobs and the protection of new and existing clean energy workers. These standards include:

- Union prevailing wages:
- Project labor agreements to help protect workers' wages, benefits, and safe working conditions;
- Labor peace agreements;

- Use of apprenticeship and pre-apprenticeship programs to facilitate the necessary training to rapidly scale up the clean energy workforce with specific training targets for underrepresented groups to enter into career union jobs;
- Priority hire for workers in disadvantaged communities and displaced workers to put these priority populations first in line for good, green union careers;
- Buy American to incentivize local job creation along the clean energy supply chain:
- Responsible contracting and best value procurement to incentivize job creation through the bidding process along the clean energy, clean transportation, and low-carbon supply chains; and (b) encourage and prioritize high-roads employers to compete up through earning extra credit for good job creation and training commitments;
- Preserving existing collective bargaining agreements to protect workers' choice of representation;
- Prevailing wage for staff in buildings and facilities; and
- Support for Minority and Women-Owned Business Enterprises (MWBEs) and Service-Disabled Veteran-Owned Businesses (SDVOBs)
- 2. To Build Renewable Energy for All and Create Good, Green Union Jobs Through Adoption of the Build Public Renewables Act, the Climate Accountability Act, the Gas Transition and Affordable Energy Act, and the Fossil Fuel Facilities Replacement and Redevelopment Blueprint Act

These four pieces of legislation are integral to aligning New York's agencies, regulatory structures, and energy generation build-out to the emissions reduction mandates of the Climate Act. Moreover, each bill contains the necessary components to deliver climate justice while helping to re-envision the makeup of New York's energy labor market and workforce. In particular, the Climate Accountability Act includes the same set of gold-star labor standards as in the CCPF, enshrining critical labor provisions in the deployment of clean energy programs, projects, and oversight across State agencies. The newest iteration of the Gas Transition and Affordable Energy Act promises to redesign the regulatory landscape of heating and cooling in New York State at the neighborhood level to facilitate the creation of thermal energy networks, offering a truly just transition for pipefitters often left behind in the energy transition. And lastly, the Fossil Fuel Facilities Replacement and Redevelopment Blueprint Act promises a pathway to job preservation for utility workers most directly impacted by the closure of fossil fuel facilities necessitated by the Climate Act.

3. To Make Polluters and the Ultra-Rich Pay What They Owe Through Adoption of the Climate Change Superfund Act, Fossil Fuel Subsidy Elimination Act, and Invest in Our New York's (IONY) Plan to Fund Our Future Package

Although the costs of adapting to and mitigation the climate crisis are much less than the costs of climate change itself,⁸ these costs are nevertheless significant. New York's own Energy Research and Development Authority (NYSERDA) estimates that New York must invest a minimum of \$10 billion every year in order to achieve its ambitious decarbonization mandates and defray the worst effects of the climate crisis. Other sources recommend New York invest as much as \$31 billion annually to meet its climate goals.⁹ These three revenue generation pieces in the CJJP promise not only to create large-scale funding for climate solutions – without which New York can never hope to reach its climate mandates – but they also require much-needed accountability for those responsible for the climate crisis.

Leveraging Emerging Technologies to Tackle Emissions Reduction

In order to implement the Scoping Plan, beyond the need for adoption of new policies and creation of new funding as outlined above, the State must also pursue concrete projects today not only for proven technologies such as solar, wind, and geothermal, but also for emerging technologies. In particular, the State should significantly accelerate and build on its newfound commitment to thermal energy networks. The Final Scoping Plan itself cites thermal energy networks as a "key strategy to scale up building decarbonization from a "building-by-building" to a "community-by-community" approach, and critically, they provide overlapping job needs with the skilled pip trade workforce that has historically worked on gas pipelines." The State must therefore capitalize on this new technology and its Utility Thermal Energy Network and Jobs Act as soon as possible by committing to fully decarbonize at least 15 of the State's highest-emitting facilities with projects to be shovel-ready by 2025.

The sooner New York can prove the power of emerging technologies that comply with the guardrails of the Climate Act, technologies such as thermal energy networks, the more feasible, achievable, and plainly real tackling the climate crisis while delivering climate justice and a just transition becomes to those most impacted.

Supporting Local Action

The climate crisis impacts us from an individual to a global scale. Moreover, the overlay of legislative and regulatory landscapes in New York require buy-in at all different levels of governance. Therefore, implementing the Scoping Plan requires coordinated action across the

⁸ According to the *New York State Climate Action Council Scoping Plan*, the cost of inaction in climate change exceeds the cost of action by more than \$115 billion.

⁹ Pollin, Robert; Garrett-Peltier, Heidi; Wicks-Lim, Jeanette. (November 2017). *Clean Energy Investments for New York State: An Economic Framework for Promoting Climate Stabilization and Expanding Good Job Opportunities.* University of Massachusetts-Amherst.

¹⁰ New York State Climate Action Council. (December 2022). *New York State Climate Action Council Scoping Plan.* New York State. Retrieved from

https://climate.ny.gov/-/media/project/climate/files/NYS-Climate-Action-Council-Final-Scoping-Plan-2022.pdf

Federal, State, County, and Municipal governments. In particular, providing direct support – including funding – to help municipalities deliver on high-returns building decarbonization efforts is an important step toward implementing the Scoping Plan.

Buildings are the largest source of emissions in the State,¹¹ and responsible for an even larger proportion of emissions in the State's largest city, New York City (NYC).¹² The State should therefore provide direct support, up to and including funding, for the implementation of Local Law 97, as well as NYC's efforts to transform public schools into clean, green spaces with solar energy and building energy retrofits, starting with schools in environmental justice communities. Supporting local efforts will go a long way in supporting the reduction of statewide greenhouse gas emissions overall, the achievement of Climate Act mandates, and the implementation of the Scoping Plan.

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¹¹ Hochul, Kathy and Seggos, Basil. (December 30, 2022). *2022 Statewide GHG Emissions Summary Report*. New York State Department of Environmental Conservation. Retrieved from https://www.dec.nv.gov/docs/administration_pdf/ghgsumrpt22.pdf.

¹² NYC Mayor's Office of Climate & Environmental Justice. *Energy Benchmarking: New York city Energy Water Performance Map.* Retrieved from

https://www.nyc.gov/site/sustainability/codes/energy-benchmarking.page#:~:text=Over%2070%20percent%20of%20New.on%20energy%20and%20water%20management..