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**Testimony on the 2021-22 Executive Budget:
Joint Assembly Ways and Means and Senate Finance Committee
Hearings on Environmental Conservation
January 27, 2021**

**Submitted by Bob Cohen, Esq., Policy Director
on behalf of Citizen Action of New York**

Chairwomen Liz Krueger and Helene E. Weinstein and other members of the Senate Finance and Assembly Ways and Means Committees: thank you for the opportunity to submit testimony for these important hearings on the Environmental Conservation budget. I am the Policy Director of Citizen Action of New York ("Citizen Action"), a grassroots membership organization with thousands of members in eight chapters and affiliates throughout the state. Citizen Action is a member of the Steering Committees of NY Renews, a statewide climate coalition of over 250 organizations, and of Sheridan Hollow Alliance for Renewable Energy (SHARE), a coalition of community and renewable energy organizations – statewide and local – that joined together in 2017 to oppose the Sheridan Hollow Microgrid Project in Albany. We are submitting brief comments to highlight three issues in regard to climate justice that are particularly important to Citizen Action.

I. New York Should Enact the Climate and Community Investment Act to Jumpstart the State's Transition to a Renewable Energy Economy

Citizen Action joins with its allies in NY Renews in praising the Legislature for enacting the landmark Climate Leadership and Community Protection Act (CLCPA) in 2019. The CLCPA, which became effective on January 1, 2020, mandates that New York achieve an 85% reduction of greenhouse gas (GHG) emissions compared to 1990 levels and "net zero" emissions by 2050. The mandated reductions must be economy-wide, including in transportation, buildings, and home heating and cooling. The CLCPA also mandates that at least 35% (with a goal of 40%) of state energy and related funds be spent in "disadvantaged" communities (the "investment mandate").

The CLCPA was a critically needed step to address the climate crisis, and we and our partners are closely monitoring its implementation by entities like the Department of Environmental Conservation, the New York State Energy Research and Development Authority and the Climate Action Council. The CLCPA positions New York, as the state that enacted the broadest climate legislation in the nation, to lead the national energy transition to come: it is already being used as a model by the Biden administration and the Congress to develop federal climate policies. However, it is clear to us that this massive transition, like other major transitions, cannot happen without significant investments by government to jumpstart and support private investment. **Simply put, without significant public funding, the potential to achieve a transformation to renewables will not be achieved.**

NY Renews has developed a plan for a renewable transition known as the Climate and Community Investment Act (CCIA). Through a massive transition to a state economy based on renewables rather than fossil fuels, the CCIA can be an important component of the state's efforts to address the COVID-related financial crisis, to renew the state economy, and to provide jobs and improve the quality of life of New Yorkers. The CCIA would raise over \$15 billion annually through a polluter fee that puts a price on carbon and other GHG emissions. The money would be invested in large-scale and multi-region projects that reduce emissions and target the areas of economic need; target assistance to low-income communities and communities of color that have been disproportionately impacted by pollution and climate change; protect displaced fossil fuel workers through retraining, extended unemployment benefits and other means; and provide assistance to New Yorkers to help reduce energy burdens. The CCIA will create well over 150,000 quality jobs each year, according to a study commissioned by NY Renews. We urge the Assembly and Senate to include the CCIA in each of their "one-house" budgets and to press for it to be included in the final state budget.

Citizen Action joins numerous other groups in supporting the Invest in Our New York Act, a package of bills that together raise billions to rebuild the state economy, address the economic crisis resulting from the COVID-19 pandemic and meet the critical needs of the state in areas like education, health care, social services and climate. Information on this comprehensive revenue plan may be found at www.investinourny.org. However, this bill package must be supplemented by the CCIA, as the massive economic transformation necessitated by the climate crisis will require a long term dedicated revenue source in addition to support from the state general fund.

II. The Executive Budget Must Ensure that New York Meets the CLCPA Mandate to Invest 40% of Energy Funds in Disadvantaged Communities

As stated above, the CLCPA includes an investment mandate requiring that at least 35%, with a goal of 40% of state energy and related funds be spent in "disadvantaged" communities

(see Environmental Conservation Law §75-0117). This important provision reflects the correct view of the Legislature and the Governor that we must on a priority basis provide significant state resources to meet the needs of Black and Brown and low income communities that have for decades borne disproportionate burdens of the effects of climate and other pollution through, among other things, the placement of fossil fuel and other polluting facilities in or near their communities. It is important to note that the policies that have led to the systemic underinvestment, disinvestment and pollution experienced by these communities have often been developed by and encouraged by government actors. Needless to say, the COVID pandemic has exacerbated the crisis faced by Black and Brown communities around the state.

The term “disadvantaged communities” is presently being further defined through an administrative process established in the statute. However, this provision, like the rest of the CLCPA, is already in effect: the Legislature and the Governor should not wait for this process to be completed before beginning to provide relief to these communities, particularly given that their needs are so urgent and they have been waiting so long. There are many ways that the Legislative “one-house” budgets can make some progress towards implementing the investment mandate in the Fiscal Year 2021-22 budget. I’d like to suggest two of them:

- The Legislature could mandate that relevant state agencies (including, for example, the New York State Energy Research and Development Authority and the Public Service Commission) report to the Legislature all expenditures they are undertaking and plan to undertake subject to the investment mandate, the percentage devoted to disadvantaged communities, and the other steps they are taking to implement the mandate.
- The Legislature could provide targeted funding to these communities that is consistent with the goals of the mandate.

III. We Request Investments in the State Budget to Ensure that the Capitol and Empire State Plaza Complex Run on Renewables

One critical area where the Legislature can act consistent with the investment mandate is to address harms in a community right near the State Capitol. Albany’s Sheridan Hollow neighborhood and the adjacent to the Arbor Hill neighborhood (arguably, they constitute a single neighborhood) each have high percentages of people of color and low income people and clearly fit the definition of “disadvantaged communities” in the CLCPA.

In 2017, the New York Power Authority (NYPA) proposed the Sheridan Hollow Microgrid Project, a project involving the installation of install two gas-first turbines at facilities owned by the state (i.e. the Office of General Services) on Sheridan Avenue, less than a mile from the Capitol, to provide heating, cool and electricity to the Capitol and Empire State Plaza (ESP). The site is also

where the Sheridan Avenue Steam Plant (SASP) is presently located, which has been threatening the health of area residents by the burning of fossil fuels for over a century. At this site, the ANSWERS trash-to-steam plant released toxic chemicals into the surrounding neighborhoods for years until it closed. These neighborhoods now have high rates of cancer, asthma and other health problems. (The facility is visible from the Assembly lobby in the Capitol building.)

In response to the opposition of the SHARE coalition, NYPA wisely scrapped the original plan to construct the fracked gas turbines, and commendably took some steps (like the planned installation of LED lights) to lower the carbon footprint of the Capitol and ESP. However, Citizen Action and SHARE both believe that NYPA has not gone far enough, as the existing polluting SASP remains and the historic harms to this environmental justice community like health issues have not been close to adequately addressed. SHARE and its allies like Citizen Action are therefore urging the state to go further and adopt our original proposal to operate the State Capitol and ESP fully on renewables (including geothermal), as other states like Oklahoma have done with respect to their Capitol buildings. And we recommend that steps be taken to transition Sheridan Hollow and Arbor Hill to renewable energy communities.

We therefore join SHARE in specifically recommending the inclusion in the state budget of:

- a \$600,000 appropriation to fund a study to convert the Capitol and Empire State Plaza complex to renewable energy;
- a \$250,000 appropriation for a second study on how to transition Sheridan Hollow and Arbor Hill to renewable energy communities; and
- a reappropriation of \$88 million to enable the Office of General Services, which owns the site, to continue its current renewable projects for ESP.

Citizen Action refers your committees to SHARE's 2021-22 budget testimony for further information about each of these three proposals.

In closing, I once again thank you on behalf of Citizen Action of New York for the opportunity to offer our views on several climate justice priorities. I may be reached at either bcohen@citizenactionny.org or at 518-265-6183 should either of your committees want more information on any of these issues.