Testimony Regarding the Environmental Provisions of Governor Hochul's Executive Budget Proposal for SFY 2024-2025

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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 2024-25 Budget Proposal. Environmental Advocates' mission is to protect the air, land, water, and health of all New Yorkers.

While we are encouraged by some proposals outlined in the SFY 2024-2025 Executive Budget, we are far more concerned about what has been left out. The Governor's proposal to cut funding for the Clean Water Infrastructure Act (CWIA) in half, from $500 million to $250 million, is deeply concerning. The Executive Budget also fails to provide dedicated funding for the Climate Action Fund. New York cannot afford another missed opportunity to tackle climate change and fund the implementation of the Climate Leadership and Community Protection Act (CLCPA). The proposed budget does not include increased staffing for the Department of Environmental Conservation, Department of Public Service, and the Office of Renewable Energy Siting, entities critical to safeguarding our air and water resources and the implementation of the CLCPA.

We look forward to working with the Legislature and the Governor to adopt a final budget that prioritizes climate action, safeguards water quality, and upholds economic equity.

Clean Water Initiatives

Clean Water Infrastructure Act: We are very concerned by the Governor's proposal to cut funding for the Clean Water Infrastructure Act (CWIA) by 50% in this state budget, from $500 million to $250 million. If this proposed reduction is adopted, it would constitute a significant retreat from New York's ambitions to be a national leader on clean water.

Since 2017, the Legislature and Governor have invested a historic $5 billion in the CWIA, a financial commitment to protecting clean water that no other state has matched. The CWIA was created to fulfill a bold mission: to holistically address the many clean water challenges facing our state. Not only would the CWIA fund traditional drinking water and wastewater infrastructure projects, but it would also provide grants for land acquisition for source water protection, remediation of toxic Superfund sites, reduction of road salt contamination, and more.

On January 30, EANY published a new report titled “A New Era for New York’s Water: An Analysis of Clean Water Infrastructure Act Spending,” which is attached as an addendum to this testimony. This report is the first of its kind to assess the impact and effectiveness of the CWIA. It unveils and analyzes data from all 17 CWIA-funded programs, judging whether sufficient funds are being distributed, whether those funds are being used appropriately, and whether the communities facing the greatest threats to water quality are benefitting.

<u>Our report finds no evidence to justify such a cut to this popular and successful program. Now is the time to grow, rather than shrink, our state’s investments to safeguard New Yorkers’ constitutional right to clean water.</u>

The CWIA has achieved remarkable success over the last 7 years. $3.4 billion of CWIA funds have jump-started over 2,100 clean water projects in nearly every county of the state. Importantly, according to state agencies, at least 53% of these funds have benefitted environmental justice (EJ) communities. This figure could be even higher as some CWIA programs are not yet tracking the proportion of funding that they are allocating to EJ communities.

Disappointingly, the Governor’s administration has not utilized the CWIA’s full potential over the last seven years. Approximately $1.6 billion of the state’s $5 billion appropriation remains unawarded or unspent, though $616 million of that amount has already been committed to various CWIA for future spending.

The remaining $1 billion spending gap, however, provides no excuse for the Governor's proposal to cut the CWIA's annual level of investment. Importantly, the gap is not due to a lack of demand for clean water resources. Governor Hochul could have spent CWIA funds much more quickly over the last seven years, up to the point of eliminating the spending gap entirely.

For example, the demand for the Water Infrastructure Improvement Act - Intermunicipal Grant Program (WIIA-IMG) is so overwhelming that the program is oversubscribed every year. In 2023, municipalities requested $1.35 billion in WIIA-IMG grants for 482 projects, the highest amount requested and the highest number of applications submitted in the program’s 8-year history, demonstrating how the demand for WIIA-IMG funds continues to grow.

Yet Governor Hochul's administration did not come close to meeting all of the demonstrated need for WIIA-IMG in 2023. 225 eligible and shovel-ready applications, requesting $556 million, did not receive a grant award (Figure 1). Each of these unawarded applications represents a missed opportunity to protect clean water. In 2023 alone, the Governor's administration could have cut the approximately $1 billion in uncommitted, unspent CWIA funds by more than half if they had funded 100% of shovel-ready WIIA-IMG projects.

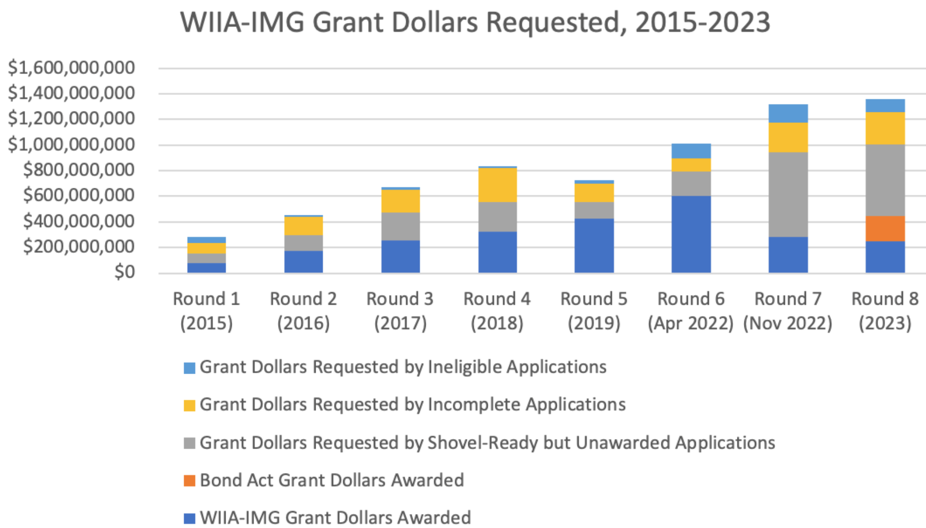

Figure 1

In addition, the Governor could have made investments in a number of CWIA programs facing multi-billion needs, such as lead service line replacement, but which only received a minuscule percentage of CWIA funding over the last seven years. 13 out of the 17 CWIA programs account for just 12% of total spending, with each of the 13 programs responsible for 2.5% or less of total spending. Funding for lead service line replacement will be discussed in more detail in the next section.

Not only are there massive needs to be met from oversubscribed as well as underutilized CWIA programs, but a number of policy changes at the state or federal level are increasing the need for CWIA grants. The US EPA proposed two new drinking water regulations in 2023, the first requiring more cleanup of PFAS in drinking water and the second requiring the replacement of 100% of the nation's lead service lines by 2037. In addition, in January 2024, EFC announced that, for certain projects, the agency would increase the percentage of total project cost that would be awarded grant funding through WIIA-IMG. To successfully eliminate toxic PFAS, get the lead out of drinking water, and provide more financial aid to local governments, a greater, not lesser, level of investment in the CWIA is required.

Finally, the important water infrastructure investments recently enacted through the federal Bipartisan Infrastructure Law and the New York Environmental Bond Act are also no excuse to cut CWIA funding in this budget. These initiatives were intended to supplement, rather than supplant, recurring clean water investments in the state budget for the simple reason that the needs to protect clean water across the state are so massive. At least $80 billion is needed to fix our drinking water and wastewater infrastructure, and that does not account for the need to replace lead pipes, eliminate toxic PFAS chemicals in drinking water, or build climate resilience.

In reviewing the CWIA's impact over the last seven years, it is important to note that this initiative is a win-win for our environment and economy. Protecting clean water creates thousands of good-paying union jobs and revitalizes local communities. These investments make our state more affordable by preventing costs of aging and failing infrastructure from falling on local governments and translating into higher water bills. As New York looks to continue growing its economy and bolster affordability, now is the time to grow, not cut, funding to ensure every New Yorker has safe water to drink.

We urge the Legislature to reject the Governor's proposed 50% cut to the Clean Water Infrastructure Act and instead invest $600 million into this popular and successful program, as part of a five-year, $4 billion commitment. At least 35% of this funding should be required to benefit EJ communities.

Line Items for the Clean Water Infrastructure Act: The CWIA funds over a dozen different initiatives to protect clean water, including WIIA-IMG, the Water Quality Improvement Program (WQIP), toxic Superfund site remediations, land acquisition for source water protection, and more. Since 2019, however, the $500 million annual appropriations for the CWIA have not included line items detailing how much of that money each of the CWIA's initiatives should receive.

Without line items, the Executive has complete control over how much funding each CWIA program receives, or whether a program receives funding at all. As described in the next section, some programs have not received their fair share of funding over the last several years, especially lead service line replacement.

To ensure that CWIA funds are not diverted for unintended purposes and that each CWIA program receives sufficient support, it is critical for the Legislature to assert a greater authority in detailing how funds must be used in the budget text.

We are supportive of each line item in the CWIA. Based on the analysis of the last seven years of CWIA spending found in our latest report, we recommend the following breakdown of $600 million of CWIA funds in this state budget:

CWIA Program	SFY2024-2025 Line Item	Percentage of SFY2024-2025 Funds
WIIA-IMG	$300 million	50%
Lead Service Line Replacement	$100 million	16%
WQIP	$80 million - At least $10 million of the $80 million for road salt storage/reduction efforts - At least $10 million of the $80 million for land acquisition for source water protection	13%
Hazardous Waste Remediation	$30 million - No more than $5 million of the $30 million to be used for the investigation and remediation of solid waste sites	5%
Septic System Replacement	$30 million	5%
Municipal Water Quality Infrastructure Projects	$30 million	5%
NYC Watershed Protection	$10 million	2%
Concentrated Animal Feeding Operations	$5 million	1%
Green Infrastructure	$5 million	1%
Emergency Financial Assistance	$5 million	1%
IT Systems for Water Quality	$5 million	1%
Totals	**$600 million**	**100%**

We urge the Legislature to provide a line-item appropriation for each CWIA program to ensure each program receives its fair share of funding.

Lead Service Lines: New York has the 6th highest total of lead service lines (LSLs) LSLs in the nation. An estimated 500,000 LSLs are contaminating drinking water across the state, especially in communities of color and low-income communities; cities like Troy, Newburgh, and Ilion have all exceeded the EPA's action level for lead in drinking water in recent years. There is no safe level of lead exposure, with infants and children especially at risk.

There has never been a more important moment for the Legislature to invest in LSL replacement. In November 2023, the US EPA announced proposed regulations to require water utilities to replace 100% of the nation's LSLs by 2037, the most important action to eliminate lead in drinking water in US history. Without new funding to implement these regulations, however, it will be impossible to meet the Biden administration's goals. If the costs of LSL replacements fall predominately on local governments, water rates across the state will rise dramatically, resulting in less affordable communities.

Unfortunately, Governor Hochul's administration has not adequately funded LSL replacement to date. Of the $5 billion appropriated to the CWIA since 2017, only $30 million, or 0.6%, has been provided to DOH's Lead Service Line Replacement Program (LSLRP), which provides grants to local governments to dig up LSLs, often at no cost to homeowners or tenants. Just as concerningly, the LSLRP has not distributed any new grants since 2019. DOH data from July 2022 indicates that just 2,300 LSLs had been replaced by that time, 0.4% of New York's total LSLs.

The source of this problem is that Governor Hochul has not been required to award a certain amount of CWIA funds for LSL replacement. The 2017 state budget required that at least $20 million be provided to the LSLRP, but each budget since 2019 has given complete discretion to the Governor on how to distribute resources. The result is a dormant LSLRP.

New York should not shirk its responsibility to help municipalities afford this important work, especially since we cannot rely on federal funding alone to get the lead out of drinking water. The state is currently receiving over $500 million from President Biden's Bipartisan Infrastructure Law to replace LSLs, but this investment will only address a fraction of New York's need, estimated to be at least $2.5 billion.

The lack of funding has denied many communities the resources to get work crews out on the street. DOH and EFC distributed the first round of federal funding in 2023, providing $104 million to 18 municipalities. But local governments submitted over $300 million worth of project applications, leaving many without any funding at all. The City of Albany, for example, did not receive any assistance. New Yorkers in these communities should not have to continue waiting for a health hazard in their drinking water to be addressed.

We urge the Legislature to include a $100 million line item appropriation for lead service line replacement within the CWIA to ensure that a fair share of CWIA funds are dedicated to getting the lead out of drinking water. The funding could be provided either to the

LSLRP or to the new program that DOH and EFC have developed to distribute federal Bipartisan Infrastructure Law funding.

Low-Income Household Water Assistance Program: The final protections from New York's utility shut off moratorium, enacted during the COVID-19 crisis, expired in June 2022, exposing New Yorkers to the risk of having their water shut off or liens placed on their homes if they are unable to afford their water bills. New York's utility affordability crisis, however, has not subsided since the pandemic. It is imperative that the Legislature take action to prevent loss of access to water by providing financial support to economically struggling households.

Until September 2023, New York had a program in place to help New Yorkers reduce their water bill debt: the Low-Income Household Water Assistance Program (LIHWAP). LIHWAP was created in 2021 with $69 million from the federal American Rescue Plan and administered in New York by the Office of Temporary and Disability Assistance (OTDA). OTDA reports that over 42,000 households, covering an estimated 100,000 New Yorkers, received or have been approved for LIHWAP asisstance to pay overdue water bills, enabling those families to restore or avoid loss of water service or even foreclosure of their homes. LIHWAP was so successful that it allocated all of its available funding by September 2023.

LIHWAP was not established as a permanent program at the federal level, however, and no further funding for it has been appropriated by Congress. As of September 2023, OTDA has stopped accepting new LIHWAP applications given the lack of additional resources. Without a new commitment of state funding, LIHWAP will remain shuttered. The Legislature has the opportunity to reinstate this important program and help struggling families preseve their access to essential water service.

Despite a lack of statewide data, there is information available that suggests the enormity of the water affordability crisis in New York and the need for state funding to address water bill debt. As of January 2023, about 200,000 bill payers in New York City – or nearly one out of four water customers – were behind on their water bills, owing a total of approximately $1.2 billion, 85% of which is from residential properties.

In response, New York City enacted a new Water Debt Forgiveness Program, which eliminates late fees and interest on past-due water bills. This program has yielded immediate benefits for city residents. According to New York City's Office of the Mayor, 86,000 customers have had their water bill debt reduced, saving families more than $12 million. This success can be replicated across New York State through the reinstatement of LIHWAP.

Hundreds of thousands of vulnerable New Yorkers stand to benefit from LIHWAP assistance if this program is reinstated. The Legislature can play a pivotal role this year in ensuring that every New Yorker has access to clean, affordable water. Funding for LIHWAP in this state budget can be an important first step towards the creation of a permanent water assistance program, one facet of a comprehensive approach to guaranteeing water affordability across the state.

We urge the Legislature to include $70 million to reinstate the Low-Income Household Water Assistance Program and preserve access to essential water service.

Climate Initiatives

***Funding the State's Climate Law**:* EANY strongly supports allocating $1 billion to the Climate Action Fund. Ensuring the State meets the legally binding goals of the Climate Leadership and Community Protection Act (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 transition off fossil fuels in a manner that is equitable for workers and disadvantaged communities hit first and worst by climate change.

The integration analysis included in the Climate Action Council scoping plan found through a benefit-cost analysis that it will take at least $10 billion a year in public and private investments to fund the policies and programs needed to reach the goals of the Climate Act. The analysis 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.

The Climate Action Fund was established by the Legislature in the 2023-24 State Budget as a vehicle to capture all revenues generated by regulations or actions taken by the state pursuant to the CLCPA. The DEC and NYSERDA are in the process of establishing an emissions cap, trade and invest program, that has the potential to serve as a sustainable revenue source for the Climate Action Fund, but that process has fallen behind schedule, missing the 2023 CLCPA deadline. We need to dedicate resources to the Climate Action Fund now to build a foundation that will be ready to execute when cap, trade, and invest revenues are finally realized. These initial investments in community driven, shovel ready projects will allow programs and actions to attain the pollution reduction, climate justice and equity mandates established by the CLCPA to happen.

We urge the Legislature to amend the Climate Action Fund to include detailed CLCPA implementation program lines. This concept, modeled upon the Environmental Protection Fund (EPF), would serve as an on-budget mechanism to direct funding to the multitude of agencies and authorities needed to successfully execute the climate scoping plan. [Follow this link to find details on specific project proposals and budget allocations].

We urge the Legislature to include $1 billion in dedicated funding for the Climate Action Fund, 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 that truly matches the urgency of the climate crisis.

NY HEAT Act: We urge the legislature to adopt the NY HEAT Act (S2016-B / A4592-B) in the budget to give the Public Service Commission the authority and direction needed to align gas utility regulation and system planning with the Climate Leadership and Community Protection Act (CLCPA) emission reduction and climate justice mandates. Overall, the bill removes the legal basis and subsidies driving the expansion of gas systems and requires the commission to adopt rules and develop a statewide gas service transition plan that is consistent with decreasing gas reliance and, where appropriate, decommissioning gas systems.

Fossil fuels burned in buildings for heating, hot water, and cooking account for approximately one-third of greenhouse gas emissions in New York State. Additionally, heating and cooking with fossil fuels like natural gas quietly impact our indoor air quality, contributing to cases of asthma and heart disease. The Public Service Law, as is, promotes gas system expansion in its stated obligation to serve customers. This undermines the important climate justice directives and binding emissions limits in the CLCPA.

The bill makes several amendments to the Public Service Law. One of which includes directing the Commission to integrate "the utility sector achievement of the CLCPA" as a core planning objective to its public service responsibilities. Notably, this bill codifies the state goal that low-to-moderate income customers must be protected from bearing energy burdens greater than 6% of their income, including those burdens imposed by the cost to purchase and operate electric equipment.

The Affordable Gas Transition Act proposed in the Executive Budget includes many of the core provisions of the NY HEAT Act, including the elimination of the 100-foot rule and the obligation to serve, a process to review capital construction plans to examine gas alternatives like thermal energy networks, and the authority to limit or discontinue gas service if it is deemed to be inconsistent with the CLCPA. The legislation also includes a prohibition on the expansion of gas service to new areas starting in 2026, one year later than the NY HEAT Act. The legislation does not include the household energy burden limits and the firm timelines for PSC action included in the NY HEAT Act.

Both the NY HEAT act and the proposed Affordable Gas Transition Act reference the climate justice and emission reduction mandates of the CLCPA. The Affordable Gas Transition Act only references those mandates in the context of Article 75 of the Environmental Conservation Law, which does not contain some of the critical climate and environmental justice provisions included in section seven of the CLCPA. In contrast, the NY HEAT Act captures all the CLCPA climate justice and emission reduction provisions by referencing Chapter 106 of the Laws of 2019.

***We urge the Legislature to incorporate all the provisions of the NY HEAT Act, including timelines for PSC and gas utility actions, household energy burden limits, and language that captures all the climate justice and emissions provisions of the CLCPA, in the final budget*.**

Climate Change Superfund: The Climate Change Superfund Act S2129-A / A3351-A) will generate $3 billion in new annual revenue by raising funds from large greenhouse gas emitters for climate adaptation infrastructure investments. The legislation will force the largest polluters to take responsibility for the damage their products have inflicted on our environment. The program requires fossil fuel companies that have contributed significantly to the buildup of pollution driving climate change, to bear a share of the costs of infrastructure investments required to adapt to the impacts of climate change in New York State, a burden that currently falls on New York taxpayers.

The changing climate is seriously impacting the environment, health, and economic well-being of New York's communities. Action Is required to protect New Yorkers from rising sea levels, increasing temperatures, extreme weather events, and flooding. The Climate Change Adaptation Cost Recovery Program will provide the necessary funds to make the critical investments in new or upgraded infrastructure.

The program operates under a standard of strict liability, which means fossil fuel companies are required to pay into the fund because the use of their products caused the pollution. No finding of wrongdoing is required. This is an essential step towards holding historical polluters accountable for their actions and ensuring they contribute to remediation efforts.

Consistent with the CLCPA, communities that have historically been disproportionally impacted by fossil fuel pollution would receive at least 35%, with a goal of at least 40%, of the overall benefits of program spending. This ensures that vulnerable communities will receive the necessary investments to protect their safety and well-being.

The Climate Change Adaptation Cost Recovery Program is a critical step towards adapting to the impacts of climate change and ensuring accountability for historical polluters. It will provide necessary funds for infrastructure investments and promote equity for disadvantaged communities.

We urge the Legislature to take the burden off New York taxpayers by finally holding the fossil fuel industry accountable for the climate induced harms New York communities are experiencing by including the Climate Change Superfund Act in the final budget.

Just Energy Transition Act: The CLCPA requires New York's statewide electrical system be zero-emissions by 2040. Achieving that mandate is critical to the success of the climate law, as the electricity system will serve as the backbone for decarbonizing the state's entire economy. The Just Energy Transition Act (S2935-C / A4866-C) will set New York on a path to comply with the 2040 mandate. The legislation authorizes and directs the New York Energy Research and Development Authority to develop a study on the replacement of New York's oldest and most polluting fossil fuel facilities and their sites by 2030 and prompts the Department of Environmental Conservation and the Department of Public Service to develop implementation strategies to be carried out by an order from the Public Service Commission.

Achieving a 100% zero-emission power grid will require phasing out the use of fossil fuel generation over time. New York should have a detailed process in place to ensure that generators are safely retired while maintaining reliability. The measures outlined in this legislation will move the state towards achieving that goal.

While this bill targets all fossil fuel generators across the state, peaker plants are likely to be a top priority. Peaker plants are typically old, dirty, inefficient electric generating units that are only called on to supply the electric grid during times when power demand is highest. Despite the infrequency of their operations, these facilities are propped up by capacity payments through markets run by the New York Independent System Operator (NYISO). A report by the PEAK Coalition identified $4.5 billion in capacity payments to peaker plants located in New York City in the last ten years.

The NYSERDA plan and subsequent PSC order will expedite the phase-out of these facilities and repurpose their sites as hubs for combinations of on-site renewable energy systems, energy storage, and transmission interconnections delivering offshore and land-based renewable energy.

We urge the Legislature to facilitate the phase-out of that state's dirtiest fossil fuel fired power plants by including the Just Energy Transition Act in the final budget.

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.

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

Transmission Permitting: New York State must do everything within its power, within reason, to ensure we have robust electric transmission infrastructure, that the power being delivered to our communities meets the Climate Law's definition of renewable energy, and that we are retiring and replacing fossil fuel infrastructure and quickly and efficiently as possible.

The modernization of New York's transmission system to accommodate new renewable generation is critical to the state's success. The Accelerated Renewable Energy Growth and Community Benefit Act, that created the Office of Renewable Energy Siting (ORES), requires the state to facilitate bulk transmission improvements found by the Public Service Commission to be needed expeditiously to achieve CLCPA targets. The Grid Study that resulted from this act specifies certain distribution, local transmission, and bulk transmission needs. This entails identifying current and future needs for transmission and distribution investments to accommodate renewables and explore new solutions to unbottling upstate renewables and delivering them to load zones in the southeastern region of the state.

Streamlining the buildout of the transmission and distribution system needed to accommodate the land-based and offshore renewable generation mandated by the CLCPA should be a top priority. The Governor's proposal to shift the transmission permitting responsibility to ORES has the potential to accomplish this goal. Moving ORES from the Department of State to the Department of Public Service could allow for enhanced communication and coordination as the state transitions to a zero-emission electricity grid. However, we are concerned that the Executive Budget does not provide for increased staffing or resources for ORES to accommodate the addition of transmission permitting responsibilities. A lack of increased resources has the potential to slow progress on the Office's existing charge of permitting large-scale renewables.

Emissions transparency: The need for corporate transparency and accountability in environmental practices has never been more critical. Requiring companies to publicly disclose their greenhouse gas emissions across all operational facets would set a groundbreaking precedent for environmental accountability. This move acknowledges the disproportionate impact a fraction of corporations have on global emissions, with reports indicating that just 100 companies are responsible for 71% of industrial emissions since 1988. Such transparency not only illuminates the environmental footprint of corporations but also empowers consumers, investors, and policymakers to make informed decisions aimed at fostering a sustainable future.

New York should leverage its economic stature to set a new standard for corporate environmental stewardship—addressing the current opacity surrounding corporate emissions. By fostering a climate of transparency and accountability, New York can catalyze a nationwide shift towards more responsible corporate behavior, mitigating the adverse effects of climate change and steering us towards a more sustainable and equitable future.

The Legislature should require disclosure on the full spectrum of corporate emissions, from direct operational outputs to intricate supply chain contributions***.***

Clean Transportation Initiatives

The transportation sector is a large 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 almost 140,000 EVs on the road in the State, and while this number continues to grow, growth has slowed by almost 5% according to NYSERDA's EValuate New York program. Additionally, there are still just over 2,700 charging ports across the State, which is simply not enough. 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 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 funding for non-MTA transit agencies for fleet electrification has been included in each of the past five state budgets. Electrification of mass transit statewide 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. Governor Hochul's budget includes $20 million to public transit agencies for electric buses and infrastructure, but additional resources will be needed to reach our CLCPA goals.

The Green Transit Green Jobs Act (S6089 / A6414) proposes a two-pronged solution for electrifying public transportation while providing well-paying green jobs for workers and a just transition for impacted members of the workforce. 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.

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.

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 include the Green Transit Green Jobs legislation in the budget and support the continued inclusion of funds 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.

Solid Waste Initiatives

Waste Reduction and Recycling Infrastructure:
We urge the Legislature to consider including the Packaging Reduction and Recycling Infrastructure Act (S4246A / A5322A) in the budget. The legislation will establish a comprehensive Extended Producer Responsibility (EPR) program that will reduce packaging waste, establish environmental standards for packaging, and shift the financial burden from taxpayers and municipalities to the businesses responsible for the waste.

EPR legislation provides a framework in which environmental impacts are taken into consideration during product development and helps manufacturers reduce their environmental impact by incentivizing them to reduce the costs associated with end-of-life products. This policy is recommended by the Climate Action Council in the Final Scoping Plan as a means to reduce greenhouse gas emissions from single use plastics and ensure sustainable management.

Plastic waste is a direct threat to these pillars of sustainability in all parts of its supply chain. An average of 6.8 million tons of packaging waste is produced each year in New York, constituting 40% of the total waste stream.[1] Most of this packaging is sent to landfills, burned in incinerators, or winds up as litter on our streets and beaches. Litter that washes into streams, rivers, and ultimately the ocean amounts to approximately 11 million metric tons of plastic pollution entering the ocean each year,[2] the equivalent of a garbage truck dumping its load into the ocean every minute.

The volume of curbside materials has increased over time with the proliferation of single-use convenience packaging, more packaging component parts, and increased consumer delivery and online ordering habits placing an enormous strain on municipal curbside recycling programs. Nearly all packaging that cannot be reused or effectively recycled is made of plastic. New York City alone spends $432 million in taxpayer money each year to export its waste to incinerators and landfills. The collapse of markets for recycled materials has led to increased costs of disposing of solid waste, increased the volume of materials being landfilled or incinerated, and significantly impacted the economic viability of recycling programs across the state.

Emissions from the waste sector make up 12% of the state's greenhouse gas inventory. When we refer to greenhouse gas emissions from the waste sector, we are often referring to methane emissions from organic matter in landfills. However, plastics have a significant carbon footprint throughout their lifecycle and emit 3.4% of global greenhouse gas emissions, 90% of which stem from the production and conversion of plastics from fossil fuels. By 2060, emissions from single use plastics are set to double, reaching 4.3 billion tons of greenhouse gas emissions.[3]

The Packaging Reduction and Recycling Infrastructure Act creates a comprehensive program for packaging that will help tackle our solid waste crisis and fix our struggling recycling system. The legislation will shift the financial responsibility to producers and away from municipalities and require manufacturers to incorporate environmental and health considerations into the design of their product by restricting the use of toxic substances and prohibiting chemical recycling. The bill will also establish environmental standards for packaging, mandating a 50-percent reduction within 12 years and requiring all content be reusable or recyclable. This will divert plastic packaging waste from landfills while simultaneously incentivizing manufacturers to consider alternatives to single use plastics – reducing greenhouse gas emissions from production.

Additionally, the Legislature should consider expanding the state's successful bottle bill as a complementary policy to the extended producer responsibility (EPR) program for packaging and paper waste. The state's bottle deposit program is the most effective EPR policy that New York has on the books. With some modernization, the expansion of New York's bottle deposit program to include more kinds of beverage containers and an increase in the deposit from 5 cents to 10 cents would be both the quickest and the easiest way to effectively remove and recover more materials from the waste stream.

This a critical policy matter that deserves independent consideration outside of the budget process.

We urge the legislature to adopt the Packaging Reduction and Recycling Infrastructure Act and the complementary expansion of the bottle deposit law to help ease solid waste and recycling woes, clean up our waterways, and bring us closer to the mandates set in the CLCPA.

Environmental Protection Fund (EPF): EANY enthusiastically supported the inclusion of a $400 million for the EPF in the 2023-24 budget. While the 2024-25 Executive Budget is presents a $400 million EPF, it represents a step backward by utilizing $25 million to off-load state agency staff costs. EPF capital dollars were never intended to fund staff. These off-loads should be removed from the EPF. We cannot be nickel and diming the programs that will cut pollution and support the natural systems that we need to fight the impacts of climate change. We urge the Legislature to restore program cuts and adopt a $400 million EPF to advance work to protect our environment and improve quality of life in every county of New York State.

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.