

TESTIMONY OF PATRICK MCCLELLAN STATE POLICY DIRECTOR BEFORE THE JOINT LEGISLATIVE PUBLIC HEARING ON THE 2020-2021 EXECUTIVE BUDGET

January 27, 2020

Thank you Senator Krueger, Assemblywoman Weinstein, Senator Kaminsky, Assemblyman Englebright, and members of the finance and environmental conservation committees. The New York League of Conservation Voters (NYLCV) appreciates your strong leadership on environmental issues and we look forward to partnering with you this year to advance an ambitious climate change and conservation agenda.

Last year was a banner year for the environment, with victories that included the historic Climate Leadership and Community Protection Act (CLCPA), a statewide ban on plastic bags, mandatory food waste recycling for large waste generators, and congestion pricing in New York City. In 2020 we hope to build on those successes and begin to implement the CLCPA, which requires immediate action if we are to meet its ambitious goals.

BOND ACT

We strongly support the proposed \$3 billion environmental bond act of 2020. New York State is already suffering the impacts of climate change, with nearly every community in the state experiencing severe flooding over the past decade, visible changes to local ecosystems, and significant species loss like last year's scallop die-off in the Peconic Bay. Investments in nature-based resiliency serve the dual purpose of mitigating the impact of climate change on our communities while also protecting wildlife and natural spaces. It has been nearly 25 years since the state passed an environmental bond act, and focusing on flood protection and climate mitigation is clear value for money, since every \$1 spent on mitigation saves an average of \$6 down the road.¹ We do hope that as the budget is discussed over the next two months that the Legislature and the Governor can agree on more specific language and dollar figures for what the Bond Act may be used for.

While not directly connected to the Bond Act, NYLCV also supports Part TT of the TED Article VII legislation, which would eliminate costly and outdated red tape that prevents the Department of Environmental Conservation (DEC) from protecting vulnerable wetlands and would lower the regulatory acreage threshold for wetlands that are "of unusual importance." Wetlands are

¹ <u>http://www.rebuildbydesign.org/data/files/1337.pdf</u>

important for local ecosystems and nature's first line of defense against flooding; if we're going to spend \$3 billion on natural restoration projects including wetlands restoration, we need to make sure that DEC has the tools it needs to protect wetlands before they're endangered.

FUNDING

This year's budget must continue to provide adequate funding to keep up environmental progress and, critically, begin to implement the CLCPA. NYLCV strongly supports Governor Cuomo's proposal to add 47 new staff for DEC and 25 new staff for state parks. We also are pleased to see the EPF funded at a minimum of \$300 million for the fifth year. The Environmental Protection Fund (EPF) benefits a wide variety of environmental priorities in every corner of the state and is a cornerstone of New York's climate, conservation, and public health programs. Given that the demand from local governments, not for profits, and other project needs far exceed funding available, we believe it is time to consider developing a path to increased, long term funding. We understand that there is a significant budget gap to close this year, but NYLCV urges the Legislature and Governor Cuomo to begin the process of increasing the EPF to \$500 million by 2025.

We are, however, disappointed that the Executive Budget has again proposed allowing EPF funds to be used for personnel costs. It is not appropriate for agency staff to be paid from the EPF, and will draw away already inadequate funding for projects. We urge the Legislature to again reject this raid on the EPF.

We are pleased that the Executive Budget proposal allocates another \$500 million of the Governor's promised \$2.5 billion toward clean water infrastructure, building on the \$500 million that was allocated last year and the \$2.5 billion allocated in 2017. In order to ensure that as many communities as possible benefit from these funds, NYLCV supports Part KK of the TED Article VII legislation to give communities receiving zero interest loans from the Water Pollution Control Revolving Fund and the Drinking Water Revolving Fund up to 40 years to repay their loan.

RECYCLING

Energy, transportation, and heating and cooling understandably dominate the conversation around fighting climate change, but meeting our goals also requires a dramatic reduction - as close to zero as we can get - in the amount of waste we send to landfills. First, we need to ban materials that cannot be recycled or responsibly disposed of. That's why NYLCV supported the plastic bag ban approved in last year's budget and why we support the Executive's proposal to ban polystyrene foam containers and loose fill packaging.

Second, we need to shift responsibility for the recycling or safe disposal of materials that are difficult and expensive to handle from local governments and taxpayers to manufacturers and consumers. NYLCV supports the Executive's proposals to create extended producer

responsibility (EPR) laws that cover mattresses and carpeting and charge DEC with identifying other product types that should be covered by EPR. However, the Legislature should not be constrained by DEC's process, and we urge you to move forward with EPR legislation for packaging and other appropriate product types.

Third, we need to make our existing recycling programs work better, which means developing markets that are worthwhile for local governments to participate in. As you may know, prices for post-consumer glass have been so low for the past few years that many municipal recycling programs in New York are considering dropping glass recycling entirely. More needs to be done, but we are heartened by Governor Cuomo's announcement of a new Center of Glass Innovation to research new ways to reduce and recycle glass. The State should also move forward with minimum post-recycled content requirements for new packaging, similar to the proposal put forward as part of an expanded Bottle Bill by Senator Kaminsky and Assemblymember Englebright last year.

ENERGY

The CLCPA's requirement that we reach 70% renewable energy in 10 years and 100% clean energy in 20 years is the minimum necessary target if we are to avoid catastrophic climate change, but it is also ambitious and will be difficult to achieve. Last year, the New York League of Conservation Voters' Education Fund published a report recommending changes to the Article 10 siting process for large-scale renewable energy, which at the moment is not working as it needs to.² We are pleased that Governor Cuomo's State of the State and budget addresses included reforms to the Article 10 process and increased State investment in renewable energy and transmission. We eagerly await further details on these proposals.

TRANSPORTATION

Transportation is the leading source of greenhouse gas emissions in New York State, and these emissions must be addressed with an aggressive, all-of-the-above approach in order to meet the Climate Leadership and Community Protection Act's (CLCPA) goals. This means complete streets that have protected bus and bike lanes and are safe for pedestrians, and more dense, walkable neighborhoods. It means legalizing electric bicycles and scooters, as proposed in Parts XX and AAA of the TED Article VII legislation. It means accelerating our transition to electric vehicles, including electric school and transit buses, as Governor Cuomo committed to in his State of the State address.

While some of these actions and goals carry little or no cost to the State, local governments, or individual New Yorkers, cutting transportation emissions as dramatically as we need to will be expensive. Electric and alternative-fuel vehicles are currently more expensive than diesel and gasoline vehicles, though the cost differential is falling, and the private market in a vacuum is

² <u>https://nylcvef.org/wp-content/uploads/2019/09/SitingPaper_WEB.pdf</u>

unlikely to install electric charging and clean fuel stations as quickly as required. There are two programs the State should adopt to help fund our transition to clean transportation.

The first is the Transportation and Climate Initiative (TCI), which is an interstate compact to make dirty transportation fuel providers pay for a cleaner transportation system. It could raise over \$1 billion per year in New York to be invested in public transportation, electric vehicles, and automobile alternatives like bike lanes. New York has been a party to negotiations about what the final TCI arrangement will look like but has not yet committed to signing on. Now is the time for the State to commit to a strong TCI framework, with at least 40% of spending to benefit disadvantaged communities.

The second program is a low carbon fuel standard (LCFS). First pioneered in California and now also in place in Oregon and British Columbia, Canada, a LCFS creates an internal market in which transportation fuel providers whose fuel - like gasoline or diesel - is above a certain carbon intensity threshold must purchase credits from clean fuel providers. In practice this would mean that companies importing dirty fossil fuels into New York - dirty fossil fuels that are disproportionately burned in communities of color - would pay to install more fast-charging electric vehicles chargers in public places, to defray the cost of public transit authorities moving to zero-emission fleets, and to help farmers and and sanitation systems turn organic waste into biofuels. We urge you to adopt a low carbon fuel standard as part of this year's budget, and I would be happy to answer any questions you may have about it.

CONCLUSION

Last year New York set the nation's most ambitious environmental goals. This year the hard work of meeting those goals begins. The proposed Executive Budget is a good start, and NYLCV looks forward to working with the Legislature to make the final adopted budget stronger. Thank you for your time, and I am happy to answer any questions you may have.