



## ENVIRONMENTAL PROTECTION FUND REPAYMENT

### S.7523 (Marcellino)

#### Summary

This bill would require that the New York State Division of the Budget (DOB) and the Comptroller develop a five-year repayment plan for funds transferred from the Environmental Protection Fund (EPF) to the State's General Fund. The bill also amends State Finance Law to permanently authorize the EPF to be used for some purposes that have received funding in prior budgets.

#### Explanation

Created in 1993, the EPF was intended to be a trust fund that would support New York's open space preservation, solid waste reduction, and other priority environmental efforts in good times and bad. The Fund is primarily funded with receipts from the statewide Real Estate Transfer Tax and is subject to annual appropriation.

In recent years New York State has authorized several transfers of monies accumulated in the EPF to the General Fund, cumulatively totaling \$447 million. This bill would direct the DOB and the State Comptroller to develop a plan for repaying these monies. The measure requires the repayment plan to be developed by October 1, 2008.

While Environmental Advocates of New York supports the idea of repaying EPF funds, we are troubled by some aspects of the proposed legislation. The bill's effective date is linked to the passage of a separate piece of legislation. A better bill would de-link the two proposals or incorporate the language referenced in the effective date into the bill text. Second, and on a related note, while the bill makes permanent a number of purposes funded by prior budgets, at least one purpose included in the bill language has never received EPF funding. The list of new purposes authorized here should reflect items for which there have been consistent agreements.

**Environmental Advocates of New York supports this bill.**

**Memo 41**