

\$AVING GREEN



Addressing New York State's Fiscal Crisis & Protecting the Environment



**ENVIRONMENTAL
ADVOCATES OF NEW YORK**
YOUR GOVERNMENT WATCHDOG

Environmental Advocates of New York

Environmental Advocates of New York is the state's government watchdog, holding lawmakers and agencies accountable for enacting and enforcing laws that protect natural resources and safeguard public health. Environmental Advocates works alone and in coalitions and has more than 7,000 individual and 130 organizational members. The tax-exempt 501(c)(3) is also the New York affiliate of the National Wildlife Federation.

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Acknowledgements

Environmental Advocates of New York would like to thank the Robert Sterling Clark Foundation and the Scherman Foundation for funding this report.

This report was printed on 100% post-consumer waste recycled paper with soy ink.



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INTRODUCTION

Saving Green: Addressing New York State's Fiscal Crisis & Protecting the Environment outlines a few simple ways to responsibly “green” state spending and address the state’s fiscal crisis while protecting our natural resources. The follow-up to our first report on the state budget, *Wa\$ted Green, Saving Green* highlights questionable spending, misaligned tax credits that promote pollution, an energy boondoggle in the making, and a power subsidy program that removes incentives to conserve energy.

In July 2008, Governor David Paterson estimated that without cutting costs, New York’s out-year budget deficit would reach \$1.2 billion. Even after the Governor and Legislature took steps to cut spending, New York still faces a \$1.5 billion shortfall, which may continue to grow. State revenues continue to fall while the federal government takes unprecedented action to shore-up ailing financial institutions and the clouds of worldwide economic recession gather in the distance. To get New York’s fiscal house in order, Governor Paterson called lawmakers back to Albany in November 2008 to consider another round of budget cuts, although no agreements were reached.

In his first address on the budget crisis, the Governor called on New Yorkers from all walks of life to work with him to address this new fiscal reality. And in 2008, Environmental Advocates of New York launched a Fiscal Policy Program to scrutinize how the state’s fiscal activities impact environmen-

tal policy and released our first report on the state budget. In response to the Governor’s recent call, Environmental Advocates identified new ways for the state to generate additional revenue, maintain staff at environmental agencies, spend revenue more wisely, and minimize future runaway costs.

CLOSING THE STATE BUDGET GAP

New York State continues to face a significant gap between the resources needed to operate state government and the money available to do so. Wall Street failures have affected bank and other business tax revenues. In addition, it is widely believed that the failure of large financial institutions and resulting job losses will reduce personal income tax revenue in the months ahead.

New York receives 20 percent of all state tax revenue from the financial sector because of high-paying jobs, bonuses and investment income. With tens of thousands of layoffs associated with the failure of major financial institutions and the credit crisis, the New York State Division of the Budget (DOB) projects that Wall Street will not be sending as much personal income tax revenue to state coffers as in past years. In response, Governor David Paterson and the New York State Legislature have taken steps to cut spending and close the widening gap between state revenues and state spending.

To address this shortfall using his administrative and budget-making powers, the Governor called on state agencies to reduce General Fund spending by 3.35 percent in May 2008. This action became known as the Program to Eliminate the Gap.

Two months later, the DOB updated its revenue and spending estimates and projected a \$1.2 billion out-year budget

Even after the Governor and Legislature took steps to cut spending, New York still faces a \$1.5 billion shortfall. . .

gap. Citing poor tax revenue, especially business and bank tax revenue collections, Governor Paterson concluded that an additional \$630 million in state agency cuts was necessary to help close the budget disparity. All told, agency budgets were then slashed by more than 10 percent—seven percent on top of 3.35 percent—and the Governor instituted a hiring freeze to provide further fiscal restraint.

In addition to these measures, in August Governor Paterson took an unusual step and called lawmakers back to Albany to match his \$630 million in agency cuts in an effort to close the entire \$1.2 billion gap. The Legislature and the Governor negotiated budget bills on August 19th and 20th that resulted in approximately \$430 million in savings. State aid to localities and nonprofit organizations was cut by approximately six percent, and certain legislatively directed projects by half. Lawmakers returned to Albany in mid-November for yet another round of budget amendments, although they reached no agreements.

Given the declining fiscal situation, next year's budget outlook is grim for state agencies. In an effort to control state spending, the Division of the Budget is now reviewing almost all state agency contracts, including those for environmental purposes. In addition, on September 5th, the Governor told state agencies to prepare flat budgets for the next fiscal year.¹ Flat budgets show no increases, not even inflationary increases, over the previous year. Agencies that may have been called on to do more with less in years past now face the reality of having to meet state and federal mandates with even fewer resources.

NEW YORK'S ENVIRONMENTAL AGENCIES ARE LOSING GROUND

While the current crisis calls for fiscal restraint, New York's environment has already suffered from years of shortsighted financial decision-making. In

a similar attempt to limit state spending, the Pataki Administration imposed a hiring freeze in 1995 and starved the New York State Department of Environmental Conservation (DEC) of the staff necessary to protect the state's air, land and water.



As documented in our reports *Endangered Agency I & II*, the DEC lost an estimated 800 scientists, engineers and enforcement officials. These staff cuts resulted in insufficient inspections of thousands of dams, a backlog of wildlife pathology cases, and lax oversight of water pollution discharges, as well as many other problems. While Governor Eliot Spitzer's first budget added more than 100 full-time positions back to the agency, the DEC is still a long way from having the human capital it needs to protect New York's natural resources.

The current hiring freeze could undermine the progress made toward reinvigorating the agency during the last few years. Environmental Advocates estimates that the DEC lost nearly 700 positions due to retirement during the past three years, including nearly 300 staff people during the past 14 months. Promotions and reassignments have helped plug those holes, but assuming these trends continue, and without the ability to fill positions, staff levels will slide back to Pataki-era levels. These cuts come at a time when the DEC needs to address major new environmental challenges, such as cutting the emissions that cause climate change and providing proper oversight of natural gas extraction in New York's Southern Tier.

Instead of jeopardizing public health and safety by slashing agency budgets, state leaders should be looking closely at state spending initiatives and tax exemptions. A careful look at these areas shows that New York continues to waste resources on projects that are working at cross purposes to environmental goals.

SHARPENING THE GREEN SCALPEL

In our previous report, *Wa\$ted Green: How Lost Revenue & State Spending Shortchange New York Taxpayers & the Environment*, Environmental Advocates identified three areas of state fiscal policy in need of reform, including overly generous tax credits associated with the state's Brownfield Cleanup Program, tax credits under the Empire Zone Program that were paying polluters, and a revolving loan program that may be encouraging sprawl.

Since the release of *Wa\$ted Green*, the New York State Legislature passed, and the Governor signed, a bill capping the size of tax credits for the Brownfield Cleanup Program, as well as other reforms. Some reforms have been made to the Empire Zone Program; and at the time of this writing, state agencies have signaled their intent to rewrite regulations associated with the Drinking Water State Revolving Fund to protect against making loans that subsidize sprawling development.

In our second look at state fiscal policy, Environmental Advocates combed through the Enacted 2008-2009 State Budget bills and the accompanying legislative resolutions that provide additional spending detail. In addition, we reviewed the *2008 Annual Report on New York State Tax Expenditures* published jointly by the Department of Taxation & Finance and the Division of the Budget. Our analysis hinges on those projects with a clear adverse environmental consequence.

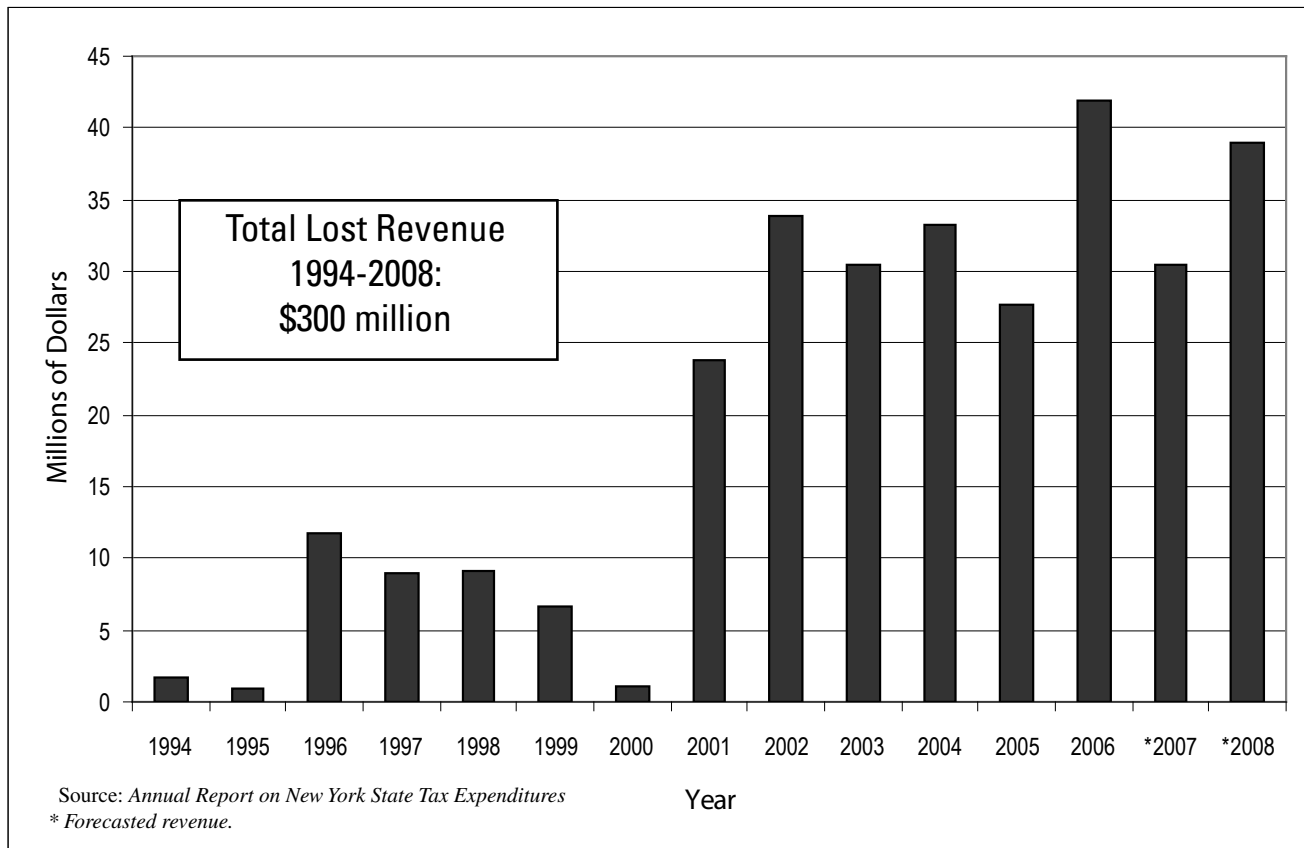
In this report, Environmental Advocates identifies specific cuts to state appropriations for questionable economic development initiatives. We also analyze a tax exemption that subsidizes air pollution and discuss an energy subsidy program that encourages companies to waste energy while failing to achieve its mission of maintaining jobs for New Yorkers.

By reducing or revising the “goodies” identified here, eliminating environmentally harmful tax credits, and reforming the way New York State provides low-cost power to businesses, we believe the state could save nearly \$125 million this year and hundreds of millions of dollars more in the future.



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Total Revenue Lost through Bunker Fuel Tax Exemption



TAX BREAKS FOR DIRTY FUEL

New York’s clean air goals are at odds with a state tax incentive that encourages the use of dirty fuels. New York should revisit this incentive to clean up the air and recoup lost tax revenue during tight fiscal times.

Bunker Fuel Tax Exemption

New York law seeks “to maintain a reasonable degree of purity of the air resources of the state...” and to that end, New York has enacted a comprehensive system of laws and regulations to control air pollution from a variety of sources. For example, New York consumers pay a little bit more at the pump for fuels that burn cleaner, such as oxygenated fuels, reformulated gasoline and less volatile fuels.²

But under the tax law, sales of bunker fuel are tax exempt.³ Essentially, bunker fuel is what remains after the oil refining process is completed and crude oil has been transformed into gasoline and other

types of fuels.⁴ This leftover sludge, with high sulfur content, is burned by ocean-going cargo ships and other marine vessels, as well as some power plants, and is one of the dirtiest fuels.

Burning this fuel releases a host of harmful gases. Emissions include elemental carbon, sulfate particles, primary organic aerosols, primary particulate matter emissions, sulfur dioxide—one of the primary contributors to acid rain—and nitrogen oxides (NO_x)—one the primary contributors to smog—as well as certain volatile organic compounds.⁵ These pollutants have been linked to a host of health problems including cancer, asthma and decreased life expectancy due to heart and lung diseases.⁶ In particular, the combustion of bunker fuel has contributed to serious air quality problems in U.S. ports and coastal communities.

For example, it is estimated that marine vessels are responsible for 43 percent of particulate matter pol-

lution at ports. Maritime traffic at the largest port on the East Coast, the Port of New York and New Jersey produces almost 20 tons of NO_x and about 1.1 tons of particulate matter per day. The area around the Port of New York and New Jersey violates federal standards for ozone and particulate matter.⁷ In comparison, 500,000 cars produce 24 tons of NO_x and .55 tons of particulate matter emissions daily.⁸

What's the Fiscal Hit?

Over the last five years, New York State has lost, on average, \$34.5 million annually as a result of the bunker fuel tax exemption; the state has lost more than \$300 million since 1994. In addition, the amount of bunker fuel being sold in New York has increased over the past five years. New York is projected to lose \$38.9 million in tax revenue in 2008.⁹

In New York State, prime suppliers of the dirty fuel recorded sales and deliveries of 2,245,000 gallons per day of residual fuel, more than the 410,000 gallons per day on average sold in 1987. In comparison, in 2007 California's sales and deliveries decreased on average by 777,000 gallons during the same period. New Jersey's sales and deliveries by prime suppliers also decreased by 332,000 gallons.¹⁰ While other states have cut back on bunker fuel, New York's use is on the upswing.

California requires ships to switch to cleaner fuels within a certain distance from shore in order to decrease pollution, but New York is encouraging increased use of one of the world's dirtiest fuels when cleaner alternatives are available. The least

New York can do is to start charging tax on such fuels. Making dirty fuels more expensive may reduce the amount sold and the amount of toxic pollution ships emit and clean the air around New York City and Long Island, an area with the worst air quality in the state.

Recommendations

1. Repeal the tax exemption for bunker fuel so the state can reap an additional \$35 to \$40 million per year in taxes and clean-up New York's air quality.
2. Enact regulations to force ships to use cleaner fuels as they come closer to shore.

POWERING POLLUTION

In order to reduce the harmful effects of the air pollution that is changing the climate, as well as acid rain and mercury contamination, New York annually invests hundreds of millions of dollars to reduce overall electricity demand. At the very same time, a host of statutorily mandated New York Power Authority (Authority) programs are encouraging energy consumption in the name of economic development.

Providing cheap electricity discourages customers from conserving energy. Corporate welfare programs such as Power for Jobs have a questionable track record in terms of keeping jobs in New York (its stated purpose). Based on our analysis, the Authority's incentives are missing the mark. *Saving Green* highlights two state power subsidy programs that

New York is encouraging increased use of one of the world's dirtiest fuels when cleaner alternatives are available.

Cheap Power, Job Shortfall

Company	Location	KW Allocation	Job Commitment	Job Shortfall	Job Shortfall (%)
Albany International Corp.	Albany	1,000	267	67	25.1%
Bowne & Co.	New York City	550	2,571	2,180	84.8%
Ford Motor Company	Buffalo	5,000	1,462	322	22.0%
Schenectady International	Schenectady	1,500	373	198	53.1%
Verizon	New York City	5,000	4,901	1,069	21.8%

Source: New York Power Authority

should be reformed to ensure businesses receiving low-cost power invest in energy conservation. We also identify an additional low-cost power subsidy in need of a little sunshine.

Power for Jobs

In 1997 the New York State Legislature and the Governor created Power for Jobs, under which approximately 400 megawatts of low-cost power was supplied to businesses and nonprofit corporations that committed to create or retain jobs in New York. The program has been amended and extended several times, including most recently in the SFY 2008-2009 State Budget, which extended subsidies through June 30, 2009.

In its present form, Power for Jobs participants receive either a cash rebate from the Authority to offset electricity costs or a discount on electricity rates made possible by a tax credit through an Authority contract. According to the Authority's records, as of March 31, 2008, the program consisted of 492 power allocations to 472 employers totaling 312.4 megawatts, with 250,715 "jobs committed."

But several companies failed to fulfill their job commitments and still received full subsidies.¹¹ Inexplicably some of these companies were listed as being "in compliance" with program requirements and therefore still received full power allocation.

What's the Fiscal Hit?

The Annual Report on New York State Tax Expenditures forecast \$20 million in lost revenue in 2008 due to tax credits associated with Power for Jobs. Without program reform, Environmental Advocates projects lost revenues of at least \$100 million during the next five years.

It is important to note that the Authority pays for both the cost of Power for Jobs cash rebates and has reimbursed the state for most of the losses associated with the tax credit. According to its budget documents, since 2001 the Authority has paid or authorized payments of more than \$420 million to the state related to Power for Jobs.¹²

By covering the cost of Power for Jobs year after year, the New York Power Authority is misusing its resources by subsidizing energy consumption rather than advancing the state's clean energy goals.

Alcoa

Arguably the best example of a state electricity subsidy program run amok involves Alcoa Inc., and its Massena aluminum plant. Per statutory mandate, Alcoa receives 478 megawatts of hydropower from the St. Lawrence-FDR Hydropower Project—more than the entire Power for Jobs program.¹³ Its contract is set to expire in 2013. A proposed contract extension, recently open for public comment, would continue that power allocation through 2043. And while the contract language contains multiple provisions to ensure Alcoa maintains its employment levels and proceeds with a \$600 million renovation, it does not include requirements to adopt energy efficient practices in order to continue receiving this low-cost power supply.

The cost to New Yorkers is staggering. Based on the New York Independent System Operator's 2007 annual regional wholesale electricity prices, Environmental Advocates estimates the annual market value of this power at more than \$220 million.

Alcoa's continued presence in Upstate New York is vital for the region's economy. The company supports approximately 1,000 jobs. However, such a long-term, large-volume contract should include safeguards that ensure Alcoa is not wasting low-cost and clean hydropower, especially as the state is challenged by growing electricity demand.

While we recognize that the Authority has invested more than \$1 billion in efficiency and renewable energy during a 10-year period, it is clear that its \$100 million per year investment is dwarfed by statutorily mandated spending to subsidize unfettered energy consumption.

New York should overhaul these programs and stop providing permanent low-cost power to program participants. Tying low-cost power to efficiency requirements will aid the state's broader efforts to combat climate change and improve air quality. Reforming

such programs, along the lines of recommendations already made by the State Assembly and the Governor, will ensure that New York's resources are not squandered or working against the state's clean energy goals.

Recommendations

1. Overhaul Authority low-cost power programs, end permanent subsidies, eliminate tax credits, and free up Authority resources to advance clean energy goals.
2. Require current and future low-cost power recipients to undergo an energy audit and assessment of electricity use to be eligible for such programs.
3. Require recipients of state-subsidized power, including Power for Jobs, to invest in energy efficiency or energy-saving improvements.

DOWN THE "CLEAN COAL" RABBIT HOLE

While pursuing carbon capture and sequestration technology (CCS) may be a worthy science project, this unproven technology is a long way from paying dividends for reducing the pollution that causes climate change. But at the outset of an unprecedented fiscal crisis, New York has committed to throw money down the "clean coal" rabbit hole. New York taxpayers are currently helping to build a brand new, unnecessary coal-fired power plant in Jamestown, New York in order to give CCS a try.

Jamestown Board of Public Utilities

Although the private power generation industry has largely abandoned building coal-fired power plants in New York, since 2004 the Jamestown Board of Public Utilities has advanced two proposals to replace its coal-fired boilers at the Carlson Station with newer coal-fired technology.

In what would be New York's first new coal-fired plant in 25 years, the initial proposal to update Carlson Station met with stiff resistance from regulators. In 2006, then-Governor George Pataki vetoed tax breaks to support the construction of the facility, in part due to concerns about using outdated technology that failed to address the threats posed by climate change.¹⁴ Environmental Advocates, Natural Resources Defense Council, Sierra Club, and other groups, had urged the veto.

In addition to these concerns, Jamestown's proposal has been dogged by the fact that it does not need a new power plant. To meet the community's electricity needs, Jamestown already receives 80 percent of its power from the New York Power Authority. A new plant is only needed to meet the community's remaining power needs. And in 2001, Jamestown installed a cleaner burning natural gas turbine that it chooses not to use due to the clean fuel's somewhat higher cost. Local electricity demand can either be met through investing in energy efficiency or turning on the unsubsidized gas plant.

Without state subsidies, the proposal to build a coal plant appeared to be losing steam—at least until Jamestown jumped on the clean coal train.

Jamestown officials reframed their approach in 2007 and announced that the proposed plant would be capable of capturing and sequestering carbon dioxide. This facility was repackaged as a demonstration project and pitched as a way to test, on a small scale, emerging clean coal technology in New York.

On June 10, 2008, Governor Paterson announced an agreement with Oxy-Coal Alliance, including but not limited to Praxair and SUNY Buffalo, to pursue development of the proposed power plant and federal dollars.

The arguments for pursuing clean coal in New York collapse under its cost. Given that as much as 30 percent of the plant's output will be required to operate the oxy-fire carbon capture process, costs to operate the facility will increase by as much as 40 percent. Total construction costs for the project now top \$300 million for a 43 megawatt plant that will have an effective output in the range of 30 megawatts. That's approximately \$10,000 per kilowatt—an unheard of cost for generating power.

Large quantities of leaking carbon dioxide (CO₂) also pose an immediate threat to public safety. Clouds of CO₂ released as the result of volcanic activity have, on some occasions, caused fatalities. No federal or state regulations exist governing the carbon capture and sequestration process, so if the captured CO₂ leaks out, who pays? If Jamestown can't store CO₂ in New York, and many questions remain about the geologic potential for storage in the state, it will have to be shipped long distances to sites in other states, raising costs again.

What's the Fiscal Hit?

New York currently has plans to conditionally invest up to \$8 million in Jamestown's clean coal facility. Earlier in the year, the state earmarked \$400,000 (now \$376,000 as a result of budget cuts) for the Jamestown project. As part of the \$8 million, Jamestown also received \$2 million in Senate appropriations for geologic testing.¹⁵ In fairness, the project must meet a series of benchmarks before it receives any resources. But state subsidies could amount to hundreds of millions of dollars over the plant's 50-year lifespan.

Rather than investing in clean coal, New York should show the world how to generate electricity from truly clean energy resources such as solar and wind.

State investment in coal research may make some sense for states that produce coal, but New York is home to no active coal mines.

In the final analysis, Jamestown does not need this plant. Requiring Jamestown to turn on its natural gas plant is a better deal for New York taxpayers. Bigger investment in energy conservation and efficiency, and renewable energy is a better bang for the New York buck.

Recommendations

1. Deny permits for the Jamestown clean coal plant.
2. Encourage use of additional NYPA power or major investments in efficiency to meet Jamestown's power needs.
3. Repeal appropriations.

PUT THE SMART BACK IN SMART GROWTH

While *Wa\$ted Green* shed light on a state revolving loan program that may be inadvertently subsidizing poorly planned development, this report shows that in at least one case New York is directly supporting sprawling development, destroying wetlands, and using New York tax dollars to do it.

Even before the appropriate permits for the Marcy NanoCenter site have been issued, or a tenant has contracted to occupy the site, New York State has committed more than \$51 million to the project. Developers of this project should build this plant somewhere else.

Marcy NanoCenter

Healthy economic growth in New York should create jobs, enhance the state's overall competitiveness, protect our environment, and preserve our quality of life. But all too often, poorly planned development scars New York's landscape and puts our natural resources in jeopardy.

For years Mohawk Valley Economic Development Growth Enterprises Corporation (EDGE) has worked to create a nanoelectronic manufacturing site in Oneida County in Marcy, New York. State economic development agencies identified undeveloped land adjacent to the State University of New York's Institute of Technology (SUNYIT) as a suitable location for a semiconductor manufacturing plant.

In May 2002, as part of efforts to prepare the approximately 300-acre site for construction, Mohawk Valley EDGE applied for permits from the U.S. Environmental Protection Agency (EPA), the U.S. Fish and Wildlife Service, and the U.S. Army Corps of Engineers to destroy 27 acres of wetlands on the site.

State Support for Marcy NanoCenter

State Source	SFY	Project Portion	Amount
NYS Legislature	06-07	Infrastructure Upgrades	\$4,000,000
Assembly	08-09	Economic Development	\$10,000,000
Senate	08-09	Economic Development	\$10,000,000
SUNYIT	08-09	Center for Advanced Technology	\$27,500,000
Subtotal			\$51,500,000
Suggested Additional State Investment		Semico Report	\$600,000,000
Total			\$651,500,000

Source: NYS budget bills and resolutions

Federal regulators objected because Mohawk Valley EDGE did not provide alternatives with less impact on an aquatic ecosystem. As a result, Mohawk Valley EDGE withdrew its applications.

After revising and resubmitting permit applications in 2007, construction of Marcy NanoCenter buildings, parking facilities, roads and accompanying earthen works would destroy a third of the 33 wetland acres on the site. Out of the approximately 10 acres affected, 1.51 acres are wet meadow, 0.91 acres are emergent marsh, 1.41 acres are scrub shrub, and 5.81 acres are forested wetland. A public notice published on April 6, 2007, asserts that the wetlands include habitat for two federally listed endangered or threatened species, the Bog turtle and the Indiana Bat.¹⁶ In addition to providing habitat for wildlife, wetlands serve other ecological functions, including slowing water flow and minimizing flooding, recharging groundwater supplies, and maintaining base flow of streams and rivers.

Mohawk Valley EDGE is currently working with the U.S. Army Corps of Engineers and the Department of Environmental Conservation to develop a wetlands mitigation plan that will include a combination of wetland replacement, enhancement and/or protection.¹⁷ At the time of this writing a wetlands permit has not yet been approved. However, despite the delays, permit approval is only a matter of time.

What's the Fiscal Hit?

State cash looms large over arguments between state and federal regulators and local boosters regarding what to do about the wetlands on the proposed development site. Buried deep in the SFY 2008-2009 Budget are gigantic Urban Development Corporation capital appropriations typically financed through issuing state debt to support economic development projects.¹⁸ Within these appropriations, both houses of the Legislature allocated \$10 million each for the Marcy NanoCenter project.¹⁹



Robert J. Moore

Another \$4 million was made available by the State Legislature and the Governor for infrastructure upgrades in the 2006-2007 Enacted Budget.²⁰ All told, the various units of SUNYIT received another \$27.5 million for the Center of Advanced Technology to complement the creation of the semiconductor plant. That's more than \$51 million in state assistance for this project without a tenant to occupy it.

The \$51 million is the tip of the iceberg. A report commissioned by Mohawk Valley EDGE and released by Semico, a semiconductor marketing and consulting company, calls for at least \$650 million in state investment to get Marcy NanoCenter off the ground.

Although Upstate New York can use an economic boost, there are significant concerns that should be addressed. First, research shows that developing on open land can result in development that is five to 10 times more costly than redeveloping an urban site that needs minimal remedial work.²¹ Second, it calls into question the state’s formal regulatory process. In this case, the developer is haggling with federal and state regulators over what to do with pesky wetlands and there are truckloads of state cash on the line. It’s unlikely the turtles or bats in question will win this fight.

Recommendations

1. Build somewhere other than on wetlands, or at least where it least impacts wetlands.
2. Build in a city center, where infrastructure already exists, rather than destroying wetlands.
3. Get the project details sorted out before committing state resources.

CONCLUSION

Saving Green, Environmental Advocates of New York’s second look at state fiscal policy, highlights questionable spending, misaligned tax credits that

promote pollution, an energy boondoggle in the making, and a power subsidy program that removes any incentive to conserve energy.

Instead of jeopardizing public health and safety by slashing state agency budgets, our leaders should take a closer look at spending and tax exemptions. New York State should align its resources with environmental goals, rather than invest in tax credits and economic development programs that are polluting our natural resources.

New York needs to stop wasting green by squandering taxpayer dollars, and start saving green by fully staffing the state’s environmental agencies and ensuring that its tax credit, economic development resources, and authority resources are used to protect rather than degrade our environment.

New York State needs to responsibly balance its books, but it shouldn’t do so at the expense of our natural resources. Environmental Advocates has found a few programs in need of retooling that will both help the bottom line and protect the health of our air, land and water.

Total Savings

Source	2008-09 Savings (millions of dollars)	Five-Year Projected Savings (millions of dollars)
Bunker Fuel	\$38.9	\$194.5
Power for Jobs	\$20.0	\$100.0
Jamestown Coal Plant	\$8.4	\$42.0
Marcy NanoCenter	\$51.5	\$600.0
Total	\$118.8	\$936.5

Source: Environmental Advocates of New York analysis.

ENDNOTES

¹ http://www.ny.gov/governor/press/press_0905084.html

² <http://www.dec.ny.gov/chemical/8577.html>

³ Tax Law §301-b(a)(4).

⁴ Denton, Joan E. “Used Oil in Bunker Fuel: A Review of Potential Human Health Implications.” December 2004.

⁵ ENVIRON. “Modeling the Impacts of Marine Vessel Emissions to Ozone, Particulate Matter and Haze Along the West Coast.” March 24, 2008.

⁶ International Council on Clean Transportation. “Air Pollution and Greenhouse Gas Emissions from Ocean-Going Ships: Impacts, Mitigation Options and Opportunities for Managing Growth.” March 2007.

⁷ EPA Greenbook, August 2008.

⁸ Bailey, Diane, et al. “Harboring Pollution: The Dirty Truth About U.S. Ports.” National Resources Defense Council and Coalition for Clean Air. March 2004.

⁹ New York State Division of Budget and New York State Office of Tax and Finance. *Annual Report on New York State Tax Expenditures*. January 2008.

¹⁰ <http://www.eia.doe.gov/>

¹¹ <http://www.nypa.gov/edpab/index.htm>

¹² <http://www.nypa.gov/annualreport/2007financials.pdf>

¹³ Chapter 313 of the Laws of 2005 A.8960 (Tonko)/ S.5866 (Wright).

¹⁴ Veto Message – No. 274. A.11832 (Parment)/S.7760 (Young) of 2006.

¹⁵ Chapter 53 of the Laws of 2008 (Budget) §5, Page 885, lines 34-46, Page 886, lines 1-4.

¹⁶ U.S. Army Corps of Engineers Public Notice. April 6, 2007.

¹⁷ <http://www.marcynanocenter.com>

¹⁸ Chapter 53 of the Laws of 2008 (Budget) §5, Page 885, lines 34-46, Page 886, lines 1-4. See also of Chapter 57 of the Laws of 2008, Part QQ.

¹⁹ R6798 (Bruno) & E2002 Rules (Silver). June 2008. Both resolutions established the itemized lists of grantees.

²⁰ Chapter 108 of the Laws of 2006 (Budget) Page 220, lines 31-33.

²¹ DeSousa, C. 2006. “Unearthing the Benefits of Brownfield to Greenspace Projects: An Examination of Project Use and Quality of Life Impacts.” *Local Environment* 11 (5) 577-600.



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