Response to the 2014-2015 Budget Proposals

The 2014-2015 legislative budget proposals contain programs and funding that will both help and harm New York State’s public health and environment. While the Assembly’s proposal raises some concerns, it is largely a plan that would continue to make New York a national environmental leader. The Senate’s proposal, however, is a significant step backwards on many fronts, most notable are clean energy funding rollbacks and an assault on the state’s climate change action programs.

Below we outline some of Environmental Advocates of New York’s top-tier concerns and positions on various proposals.

Eviscerating Clean Energy Funding
Environmental Advocates strongly opposes both houses’ attempts to eviscerate clean energy funding that is modernizing the state’s energy grid and creating thousands of jobs. Additionally, the Senate has proposed chopping the Department of Environmental Conservation’s (DEC) Office of Climate Change at a time when our state should be stepping up efforts to protect our communities, and the Governor’s draft State Energy Plan calls for cutting climate pollution to 80% below 1990 levels by 2050. By contrast, the Senate’s proposal would take us back to the dirty, fossil-fuel burning ways of 1950.

<table>
<thead>
<tr>
<th>Bill/Part</th>
<th>Action/Impact</th>
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<tr>
<td>S.6357–C, Part YY</td>
<td>Transfers approximately $218 million from various New York State Energy</td>
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<td>Research and Development Authority (NYSERDA) funds to the general fund.</td>
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<td>A.8557–C, Part L</td>
<td>Diverts $20 million from unspecified NYSERDA sources to the general fund.</td>
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<td>A.8557–C, Part CC</td>
<td>Repurposes $15 million in Green Bank funds.</td>
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<td>S.6350-C, S6353-C, S6354 - C</td>
<td>Cuts funding for the Office of Climate Change budget.</td>
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Environmental Advocates calls on the Legislature and the Governor to restore funding to NYSERDA, and keep New York on the path to a cleaner, healthier future.

Protecting Pesticide Reporting
Environmental Advocates strongly opposes the Governor’s proposal (S.6357-B/A.8557-B, Part H) to dramatically restructure the state’s Pesticide Sales and Use Reporting Law (Chapter 279 of 1996). Among several changes, Part H eliminates requirements for reporting information on where pesticides are used, gutting the effectiveness of the law and impeding the public’s right-to-know about toxic chemicals being used where they live, work, and play.

Both the Assembly and the Senate have rejected the Governor’s proposal, while the Assembly’s language also makes several positive changes to the law.

Environmental Advocates supports both the Senate and the Assembly’s efforts to protect the law and urges the houses to ensure that the law is left intact or, better yet, improved upon as the Assembly has proposed.

Reforming the Brownfields Cleanup Program
As Environmental Advocates has documented, the state’s Brownfield Cleanup Program is off-target and out of control. New York has spent over $1.14 billion to clean up only about 150 contaminated sites statewide, and the
Office of the State Comptroller estimates that sites currently enrolled in the program carry a liability to taxpayers totaling another $3.3 billion. We have called on the Governor and the Legislature to target tangible property tax credits to projects that demonstrate need, de-link eligibility for the brownfields program from eligibility for redevelopment tax credits, and to extend tax credits for 10 years to provide development certainty.

The Governor’s proposed reforms are in line with our recommendations (S.6359-B/A.8559–B, Part Q). The Assembly intentionally omitted this proposal from its budget bills, while the Senate advanced its own package of reforms, many of which we oppose. The Senate’s proposal ignores many of the most pressing concerns, will not de-link the tax credit programs, does not adequately target credits, and does nothing to ease the state’s excessive liability (S.6359-C/A.8559-C, Part Q). None of the three proposals included funding for the Brownfield Opportunity Area (BOA) program, which supports community-based planning efforts to revitalize areas impacted by brownfields. This funding should be restored in the enacted budget.

Environmental Advocates calls on the legislature to work from the Governor’s proposal to restore the program to its original intent - to stimulate economic growth in low-income neighborhoods, while cleaning up toxic sites and making these communities healthier and safer. We urge the Legislature to reform the program in the 2014-2015 budget and to restore BOA funding.

Refinancing Superfund
The Governor’s budget proposes a one-year $90 million extension for the state Superfund program (S.6359-C/A.8559-C, Part Q). Funding the Superfund annually weakens the program’s long-term ability to clean up our most dangerous and toxic waste sites which, by nature, are multi-year endeavors. The enacted budget should extend Superfund bonding authority, which expired last year, for another ten years at a level of $120 million a year in order to ensure continued progress. The Assembly proposal adds $1 billion to the state’s bonding authority for Superfund cleanups, while the Senate completely zeroed out the Governor’s proposed $90 million (S.6359-C Part Q/A.8555-C, Part H).

Environmental Advocates supports the Assembly proposal, and strongly rejects the Senate’s lack of support for Superfund. We call on the Legislature to provide long-term support for the Superfund through multi-year bonding.

Investing in Our Communities – Environmental Protection Fund (EPF)
The EPF creates jobs and stimulates local economies by providing capital grants to municipalities and nonprofit organizations for environmental enhancement projects. Governor Cuomo proposed funding the EPF at $157 million for 2014-2015, well below the $200 million sought to begin to make the program whole (S.6354-B/A.8554B, Part Q). The Assembly proposes $10 million, to be supported by the General fund, above the Governor. The Senate proposed an additional $43 million by diverting bonded capital that the Governor proposed for the Superfund program (S.6354-C/A.8555–B, Part C). Further, inserting bonded capital into the EPF raises concerns about whether the EPF account will be used to pay the debt service on these bonds in the future.

Environmental Advocates opposes the Senate’s proposal to divert funds from one environmental program to support another and calls on the Legislature and the Governor to fund the EPF at $200m through its main historic funding source – the Real Estate Transfer Tax.

Delaying Diesel Clean Up
The Senate budget proposes to add a two year delay to the Diesel Emissions Reduction Act compliance deadline. This law was enacted in 2006 to reduce the health threats posed by diesel vehicles owned by or operated under contract with the state. The current compliance date for the law is the end of this year, a date that has already been delayed several times. Further delay means cleaner air and healthier communities (e.g. fewer asthma attacks, cases of lung cancer, heart attacks and premature deaths in seniors) are delayed, as well.

Environmental Advocates opposes the Senate’s proposal to again delay implementation of this critical public health law, and calls on the Legislature and the Governor to omit it from the enacted budget.