BEFORE THE NEW YORK STATE SENATE FINANCE
AND ASSEMBLY WAYS AND MEANS COMMITTEES

JOINT LEGISLATIVE HEARING

In the Matter of the
2020-2021 EXECUTIVE BUDGET ON
ENVIRONMENTAL CONSERVATION

Hearing Room B
Legislative Office Building
Albany, New York

January 27, 2020
11:04 a.m.

PRESIDING:

Senator Liz Krueger
Chair, Senate Finance Committee

Assemblywoman Helene E. Weinstein
Chair, Assembly Ways & Means Committee

PRESENT:

Senator James L. Seward
Senate Finance Committee (RM)

Assemblyman Edward P. Ra
Assembly Ways & Means Committee (RM)

Senator Todd Kaminsky
Chair, Senate Committee on
Environmental Conservation

Assemblyman Steve Englebright
Chair, Assembly Committee on
Environmental Conservation

Senator Jen Metzger
Chair, Senate Committee on Agriculture

2020-2021 Executive Budget
Environmental Conservation
1-27-20

PRESENT: (Continued)

Assemblywoman Donna A. Lupardo
Chair, Assembly Committee on
Agriculture

Senator Jose M. Serrano
Chair, Senate Committee on Cultural
Affairs, Tourism, Arts and Recreation

Assemblyman Daniel J. O'Donnell
Chair, Assembly Committee on
Tourism, Parks, Arts and
Sports Development

Assemblyman Michael J. Cusick
Chair, Assembly Committee on Energy

Assemblyman Harvey Epstein

Senator John Liu

Assemblywoman Patricia Fahy

Assemblyman Robert Carroll

Assemblyman Dan Stec

Senator Thomas F. O'Mara

Assemblyman Steven Otis

Assemblywoman Didi Barrett

Senator Joseph P. Addabbo, Jr.

Assemblywoman Barbara S. Lifton

Senator Anna M. Kaplan

Senator Elizabeth O'C. Little

Assemblywoman Deborah J. Glick

2020-2021 Executive Budget
Environmental Conservation
1-27-20

PRESENT: (Continued)

Senator Brad Hoylman

Assemblyman Jeffrion L. Aubry

Senator Robert G. Ortt

Assemblywoman Carrie Woerner

Assemblyman William Colton

Assemblyman Anthony D'Urso

Senator Phil M. Boyle

Assemblyman Billy Jones

Assemblywoman Marianne Buttenschon

Senator Robert Jackson

Assemblyman Felix W. Ortiz

Assemblyman Philip A. Palmesano

Assemblyman John T. McDonald III

Senator George M. Borrello

Assemblyman Chris Tague

Assemblyman Charles D. Fall

Assemblyman Colin Schmitt

Senator Patty Ritchie

Assemblyman Mark Walczyk

2020-2021 Executive Budget
Environmental Conservation
1-27-20

LIST OF SPEAKERS

	STATEMENT	QUESTIONS
Basil Seggos Commissioner NYS Department of Environmental Conservation	17	25
Erik Kulleseid Commissioner NYS Office of Parks, Recreation and Historic Preservation	195	203
Richard A. Ball Commissioner NYS Department of Agriculture and Markets	231	236
John B. Rhodes Chair NYS Public Service Commission -and- Alicia Barton President & CEO NYSERDA	299	311
Anne Reynolds Executive Director Alliance for Clean Energy New York	377	
Peter M. Iwanowicz Executive Director Environmental Advocates of New York	382	
Jessica Ottney Mahar NY Policy Director The Nature Conservancy	389	394

2020-2021 Executive Budget
Environmental Conservation
1-27-20

LIST OF SPEAKERS, Continued

	STATEMENT	QUESTIONS
Patrick McClellan NYS Policy Director New York League of Conservation Voters	399	404
Resa A. Dimino Senior Consultant Resource Recycling Systems	408	
Jeff Jones Consultant Center for Creative Land Recycling	413	
Adrienne Esposito Executive Director Citizens Campaign for the Environment	418	424
Roger Downs Conservation Director Sierra Club Atlantic Chapter	427	
Jeff Williams Director of Public Policy New York Farm Bureau	433	437
David Grusenmeyer Executive Director NY Farm Viability Institute	442	
Samantha Levy NY Policy Manager American Farmland Trust	446	451
Liz Moran Environmental Policy Director Charlie Olver Public Policy Associate NYPIRG	460	465

2020-2021 Executive Budget
Environmental Conservation
1-27-20

LIST OF SPEAKERS, Continued

	STATEMENT	QUESTIONS
Jeremy Cherson Legislative Advocacy Manager Riverkeeper -and- Andy Bicking Director of Public Policy Scenic Hudson	467	477
Meme Hanley Program Manager Land Trust Alliance -and- Kathy Moser Senior VP for Parks and Policy Open Space Institute	479	485
Kevin Chlad Director, Government Relations The Adirondack Council -and- Peter Bauer Executive Director Protect the Adirondacks -and- Michael Barrett Executive Director Adirondack Mountain Club	488	494
Erin Tobin VP for Policy and Preservation Preservation League of NYS	497	501
Will Cote Parks Program Director Parks & Trails New York	504	

2020-2021 Executive Budget
Environmental Conservation
1-27-20

LIST OF SPEAKERS, Continued

	STATEMENT	QUESTIONS
Margaret Gorman Senior Director, Northeast Region Omar Terrie Director, Plastics Food Packaging Group American Chemistry Council	511	515
Mark Dunlea Chair Green Education and Legal Fund	519	
Erin McGrath Policy Manager Audubon New York	524	531
Philip M. DeGaetano NY Commissioner Interstate Environmental Commission	533	

CHAIRWOMAN KRUEGER: If everybody could take their seats, we're going to get ready to started.

Hi, good morning. My name is Liz Krueger. I'm chair of the New York State Senate Finance Committee. And the Senate is cochairing -- chairing this hearing today; we take turns between the Assembly and the Senate each hearing.

Today is the first of 13 hearings conducted by the joint fiscal committees of the Legislature regarding the Governor's proposed budget for state fiscal year 2021. These hearings are conducted pursuant to the New York State Constitution and Legislative Law.

Today the Senate Finance Committee and Assembly Ways and Means Committee will hear testimony concerning the Governor's proposed budget for the Department of Environmental Conservation; the Office of Parks, Recreation and Historic Preservation; the Department of Agriculture and Markets; the Public Service Commission; and the New York State Energy

Research and Development Authority.

Following each testimony there will be some time for questions from the chairs of the fiscal committees -- which is Ways and Means in the Assembly, Finance in the Senate -- as well as other legislators who have joined us today.

I will next introduce members of the Senate, and Assemblymember Helene Weinstein, chair of the Assembly Ways and Means Committee, will introduce members of the Assembly. In addition, James Seward, ranking member of the Senate Finance Committee, will introduce members of his conference.

Before those introductions, I would like to welcome our testifiers today:
Basil Seggos, commissioner of the Department of Environmental Conservation;
Erik Kulleseid, commissioner of the Office of Parks, Recreation and Historic Preservation;
Richard Ball, commissioner of the Department of Ag and Markets; John Rhodes, chair of the Public Service Commission; and Alicia Barton, president and CEO of the New York State

Energy Research and Development Authority.

I want to just highlight some of the rules for all of these hearings. Everybody staring at the dais, and those of us on the dais looking out, can all see these clocks that right now are marked 10 minutes. Government representatives get 10 minutes to present their testimony. Others, members of the public, get five minutes. When we have panels, it's some combination, and we'll announce them and the clock will be set.

When the clock stops, please you stop, including my colleagues here. Because when you are asking questions where the chairs of the appropriate matching committee get 10 minutes and the rest of the people get five minutes, that's for your question plus the answers.

So be succinct. Understand that what you may want to do is say "Perhaps you can't get me all the answers right now, you can follow up in writing."

So also for all government officials, we ask that any submissions in writing based

on answering questions go to both the people who ask and the Finance and Ways and Means chairs, so we can make sure that they are put up online with all of the testimony.

Testimony will all be up online, and we've made some improvements in the website that should make it easier to access and read. So even if you didn't get your request in to testify on time or -- hold on to your seats, the last train home is 5:00 and we're going to be going until 8:00 and you realize, I can't stay -- that's okay, just let us know that you can't stay for your appointed testimony.

Your testimony is still being distributed to all members and still up online for anyone to follow up and read.

So I wish we could condense these hearings to a nine-to-five model, but that's not how life works. And we certainly understand many of you will sit here for many hours, and we appreciate that and appreciate your contributions. But every year somebody comes running up going, "Oh, my God, no, I

missed the last train." There are options for you if that's going to be the story.

Because we have such tight limits on time, do not read us your testimony. Highlight in bullet-point format the key issues you want to make sure we get. Every year we say this; every year somebody goes "Uh-huh" and then proceeds to attempt to read eight pages of testimony in five minutes. Trust me, it doesn't work. It doesn't work in 10 minutes, either.

So highlight. We all have your testimony. We all have been elected to our positions, and so I'm going to take the leap that means we can all read and will do so.

So you stay focused on the key points. You want to make sure you are using your time wisely. And please, please, please, even though you're hearing me and some of you are just going to say, "No, I'm just going to read anyway," Helene and I will cut you off at the time limit. And so if you made your most important point on page 8, no one's ever going to hear you say it.

With that, I'm going to introduce my colleagues who I see here from the Senate Democrats and allow Senator Seward to introduce his members.

We have Joe Addabbo, John Liu, Brad Hoylman, Jen Metzger, Anna Kaplan, Todd Kaminsky.

Senator Seward.

SENATOR SEWARD: Thank you, Senator Krueger.

I'm pleased to introduce members of my conference who are here today: Our ranking member on the Environmental Conservation Committee, Senator Phil Boyle, as well as Senator Betty Little.

And right at the outset, before our hearings begin, I want to say very, very briefly that I am pleased to participate on behalf of my conference as the ranking member of the Finance Committee in the Senate; I'm pleased to participate in these budget hearings again this year.

I think it's important for us to recognize the fact that as we put together

this year's State Budget, we do not do so in a vacuum. There are some storm clouds out there that I think we need to deal with as part of this budget, if not before: The $6 billion deficit, the fact that the Census Bureau came out toward the end of last year with a report that says that New York State leads the nation in outmigration of people, and also the fact that, in my opinion, the bail reforms and other criminal justice reforms of last year went way too far in making our communities less safe.

And I'm hoping that as we finalize a new State Budget, that we can close the deficit without simply resorting to new taxes and fees or cost shifts to local governments, that we can deal with this outmigration issue by finding ways to make our state a more affordable place to live with additional economic opportunities. And if we don't do it before the budget's passed, I'm hoping that it's very, very important that we have repeal and reworking of the bail reforms and the other criminal justice reforms.

So that would be my goal through the process this year. I look forward to the testimony of not only our state officials, but various other stakeholders.

CHAIRWOMAN KRUEGER: Ways and Means Chair Helene Weinstein.

CHAIRWOMAN WEINSTEIN: Thank you, Liz.

I would just reemphasize all of the information that Senator Krueger mentioned about the running of these hearings to the members. I would just remind members that we do not, as members, have props, and to remind people who are either witnessing the hearings by participating, sitting here or potentially being a witness, that we don't -- we prohibit the use of signs or demonstrations so we can get through the hearings as speedily as possible so that the people at the end of the hearing are able to have a full audience of members and to be able to listen and absorb your comments also.

So I'm very pleased to be here to joint Senator Krueger and the other members of the Ways and Means Committee and the

Finance Committee for the beginning of our budget hearings on the Governor's Executive Budget.

I particularly want to welcome our new ranking member, Assemblyman Ed Ra, who's been a long-standing member of the Ways and Means Committee and has taken over now as the ranker and will be participating in the hearings.

Before he introduces the members of his conference who are here, let me just take a moment to introduce the members of the Assembly who have joined us. So we have Mr. Englebright, chair of our EnCon Committee; Mr. Cusick, chair of our Energy Committee; Assemblywoman Lifton, Assemblyman Otis, Assemblyman Epstein, Assemblywoman Fahy, Assemblyman Colton, and Assemblyman Carroll.

So with that, Mr. Ra, if you'd like to introduce your members.

ASSEMBLYMAN RA: Thank you very much. Happy to be here alongside Chair Weinstein and Chair Krueger.

It is my first hearing as the ranking member, so I thank the chair for her help, and I look forward to spending lots of quality time together in the next few weeks.

I just want to welcome our two members that are here right now, Dan Stec, who is the ranking member on the Environmental Conservation Committee, and Assemblyman Chris Tague.

CHAIRWOMAN KRUEGER: Okay, thank you.

So our first testifier is Basil Seggos, commissioner, New York State Department of Environmental Conservation.

COMMISSIONER SEGGOS: Good morning, Chairwoman Krueger, Chairwoman Weinstein, and other members of the Legislature. It's good to be with you again. My name is Basil Seggos. I'm the commissioner of the DEC. And with me today are Jeff Safranko, deputy commissioner for administration, and Jay McLaughlin, who is the director of legislative affairs at DEC.

And I heard your instructions last week, I submitted my testimony for the

record, so I just have a few bullet points for you here today.

First off, a bit of a mea culpa. I told you at this time last year it would be my last budget hearing. Well, I'm back at it. I decided I wanted to do another one, maybe more. So it's good to see you all again in this position.

Look, in all honesty, I decided to stay because I think I've got the best job in New York State government. I've got the best staff, the most committed environmental governor in America. And right now we have literally in front of us the most important time on our hands. And that was no time to leave the fight, so that's why I decided to stay.

The environment has become a pressing concern once again 50 years later, now globally. And now looking back on the actions of the last 12 months, I'm pretty confident I made the right decision.

So I'll just say this at the outset, and I'm entirely confident of this. There's

no state doing what New York is doing for the environment and for the climate crisis. And I look back over the nine years that I've been part of the administration, working for the Governor, and in partnership with you all, at some of our accomplishments on air quality, water quality, environmental infrastructure, renewable energy and addressing toxic waste -- and also, very importantly, responding forcefully to severe storms and saving lives.

All of what we've done over the last nine years, in partnership with you, has protected this state. And this aggressive and early action, really which we started in 2011, set us up very well to protect against the trade winds coming out of Washington. And there's no secret now that Trump is in full retreat on environmental issues. I mean, look at the newspaper any day and there's a new change.

My view is that New York is the perfect contrast to that. And as the Governor led off his State of the State and

his budget address recognizing this, the planet is facing the most grave threat ever in climate change, and we must act.

You'll hear today from both me and all of my fellow commissioners about the year ahead and the years ahead. Last year we, with you, enacted the most ambitious climate law in the nation, and now it's incumbent upon us to accelerate all of our work to install renewable energy across the state, get off of fossil fuels, and restore our landscape -- and restore our landscape so that we can get ready for the effects of climate change.

And that's really the essence of what the Governor was talking about the other day, this $33 billion, five-year commitment to fight the climate crisis. And part of that $33 billion is the "Restore Mother Nature" Bond Act, $3 billion bond act, which in my view is an investment in the future. We are projecting upwards of $50 billion of damage to the state from severe weather over the next 10 years. So I think a $3 billion down

payment in protecting the state, protecting landscapes, protecting communities from flooding, and rebuilding habitat, expanding parks, is a wise investment and will put us in a much better place.

We also, as part of our budget, as you know, have another year of $300 million EPF, another $500 million towards the $3 billion Clean Water Infrastructure Act, a ban on polystyrene foam -- which are the packing peanuts and single-service food products -- a stronger wetlands law, and continuing our $1 billion Superfund.

DEC's budget would increase to $464.7 million, and our staffing would increase to 3,162. And that's very important. That's up 250 since my first year as commissioner. So --

(Interruption from protesters.)

CHAIRWOMAN KRUEGER: {Inaudible.}

(Interruption continuing.)

CHAIRWOMAN KRUEGER: Okay. Guys, you're welcome to take the protest outside --

(Interruption continuing).

CHAIRWOMAN KRUEGER: Okay. Everybody, you can go back to your seats and listen, or you can leave. The folks protesting don't get to testify later. Okay?

(Interruption continuing.)

CHAIRWOMAN KRUEGER: Guys, come on. Okay, everybody agreed to stop, but you're not stopping, so the State Police are coming.

(Loud chanting continues as protesters exit.)

COMMISSIONER SEGGOS: I still have six minutes left on my counter.

(Laughter.)

CHAIRWOMAN KRUEGER: We've been joined by Senator Robert Jackson and Senator Julia Salazar.

And we've also been joined by Assemblywoman Deborah Glick and Assemblywoman Jo Anne Simon, so there's more people to listen to the remainder of your testimony. Thank you.

(Loud chanting.)

CHAIRWOMAN KRUEGER: All right, done. Go. Bye. Go yell at the Governor.

(Laughter.)

COMMISSIONER SEGGOS: So I said I have six minutes left, Senator. I think I might take that -- I will not.

I am glad I came back. And listen, this is really a final note. This is our fiftieth year as an agency. We were founded the first Earth Day when people just like that were complaining about the damage done to our environment and the lack of action at the federal and state level and every level, for that matter.

So yes, this year I intend to fully celebrate that progress that we've made over the last 50 years. But my focus, the Governor's focus, frankly, is in looking forward. I don't begrudge the protesters and what they brought to the room today. I might quibble with some of their facts and their language. But they are voicing I think what we've all seen now internationally: Fear. Since their governments have let them down, they need an outlet for their voices.

I actually tend to stand with them in

some ways, that we need to completely rethink the way we are approaching the environment, approaching the world, and approaching our societies. Because you know what? It's been the 10 hottest years on record. There are fires burning in Australia, there's droughts all across the world, there's floods impacting communities. They're right. And we all should take that to heart.

And I know the Governor is. And I know that to have the Governor do, in this budget and this State of the State, what he has done to prioritize environmental spending so that in the long run New York exists as a state, is exactly what should be done right now. So I think we use their energy, we clarify the facts, clarify the numbers and use some better language.

But I'm looking forward to having a good exchange with you today, looking forward to your questions, and I turn it over to you. Thank you.

CHAIRWOMAN KRUEGER: Thank you. Ready for questions?

COMMISSIONER SEGGOS: Absolutely. Thank you.

CHAIRWOMAN KRUEGER: Okay, we'll start out with Senator Todd Kaminsky, the chair of Environmental Conservation for the Senate.

SENATOR KAMINSKY: Hi, Commissioner. How are you?

COMMISSIONER SEGGOS: Good, Senator.

SENATOR KAMINSKY: I just want to ask you about the Climate Action Council. We obviously thought it was a priority enough to want to do it before the end of last session, and yet it has not taken shape. So can you tell us where we are, what the future holds, how soon they'll be meeting and getting their work done?

COMMISSIONER SEGGOS: Sure. And we'll be making our appointments shortly on that.

You know, when the Governor signed the law last year, we actually began working immediately. Both Co-Chair Alicia Barton and I assembled our teams in the 10 other agencies that are involved in the Climate Action Council to begin putting a framework

in place to meet the law.

We know that once January 1st hit this year that 2020 is going to be an extremely busy year on the Climate Action Council. We intend to have our first meeting as soon as possible after the final appointments are made. We'll probably meet on a regular basis throughout the course of this year.

We have a very tight time frame to turn around a draft scoping plan and then obviously a final scoping plan in 2022.

You know, our efforts last year, primarily through NYSERDA, to make an offshore wind commitment, solar across the state -- and you see within this budget an extraordinary statement of the Governor's intent to keep investing in projects, not to wait for necessarily the scoping plan, but to begin that work immediately.

I, for one, am looking forward to this body convening. It's a fantastic body. The appointments have been very strong. And we will -- we'll be meeting and talking shortly.

SENATOR KAMINSKY: Do you know when

you'll have nominees -- do you know when you'll have appointees for the -- the Governor's office will have appointees?

COMMISSIONER SEGGOS: Very shortly.

SENATOR KAMINSKY: With respect to the bond act, I think there's a lot of excitement behind that, but I think there's a lot of questions about what is in and what is not in. Can you give us some guidance on projects you think fall into it, what projects would fall out of it, and how we go about thinking throughout the budget process how we tighten that up so voters have a good idea what their votes and what our state's money will be going toward?

COMMISSIONER SEGGOS: Sure. The language that the Governor used in the budget was broad, but we specified some categories of projects that we think would address the core need. Right? The damage done from flooding, loss of habitat around the state, the need to improve our state and prepare for the future.

So things like tidal wetland

restoration, increasing by thousands of acres tidal wetlands along Long Island and New York City. Freshwater wetlands upstate, in conjunction with the proposed freshwater wetlands line that we'll talk about today. Reconnecting streams. Right? So many streams around New York State that are horribly flooded are cut off because of either old dams or culverts. We'd like to remove as many of those as possible and restore thousands of miles of stream.

Our fish hatcheries are in a state of -- well, some of them are in relatively good shape, but some are not. And we need a long-term investment in our fish hatcheries.

And those are the kinds of categories -- you know, land acquisition. Obviously, putting a focus on land acquisition for the purpose of resiliency will be a core focus of this. And making sure that when we look at the bond act and what it can bring, what we're asking ultimately the voters to approve is integrating the bond act into all of our

other programs. And it's a very important point because we have a $300 million EPF, we've got the Clean Water Infrastructure Act that we worked on together. We've got the Superfund law that we have. We have NY Works at DEC and other agencies.

So I think integrating all of those other programs into the bond act, really around the bond act, makes for a very comprehensive approach.

SENATOR KAMINSKY: And do you agree that in light of being on the front lines of climate change, storm surge, having issues with tidal wetlands, habitat restoration, et cetera, that Long Island will qualify -- should qualify for a number of projects coming out of the bond act to help it deal with the very problems it's meant to address?

COMMISSIONER SEGGOS: Oh, no doubt about it, Senator. I mean, I joined right before Superstorm Sandy and saw the damage done down there, and now we've been rebuilding for the last eight years there.

You know, the water quality conditions

on Long Island, the loss of tidal habitat, the loss of some open space in some areas -- I mean, those are all the kinds of things that we would look to focus on. And certainly Long Island, with the number of problems that it has environmentally and the population that is down there, we would be focusing significant attention down there.

SENATOR KAMINSKY: I appreciate that.

One of the things also mentioned in the language is a study about Nassau County studying the feasibility of having access to New York City water, in light of emerging contaminants and other things.

But many of us have searched for this study in the budget and have not found it. So I'm hoping you'll be able to tell us what funding might be available for the study, how long you think it should take, and what it involves. Because there's a lot of interest on Long Island, but it's kind of hard to find details on it.

COMMISSIONER SEGGOS: Right. So this is something that DEC and DOH will jointly

work on. There's no specific preparation in the budget for it, but we have the resources within our existing Clean Water Infrastructure Act and other pots that we would draw upon to conduct the study.

I agree it's an important study. At a bare minimum, looking at the possibility, the long-term possibility of tapping into the New York City system would provide great redundancy for Long Island, and also solving some issues with contamination in certain water districts. But that will be a good study, and we'll get that going very quickly, understanding that it's a priority for Long Islanders.

SENATOR KAMINSKY: Thank you. I hope we can get more clarity, as the budget process develops, over that.

With respect to Styrofoam and the polystyrene ban in the budget, there's also language in there that I had concern with that says we're going to ban this and future studies and bans, depending on what DEC believes needs to be banned.

Can you tell us what authority you're seeking in the budget and what that would mean? Would that mean that if that is granted, that anything DEC decides and studies is a product that is dangerous to New York, you could just ban it without legislative authority?

COMMISSIONER SEGGOS: Well, as the polystyrene being, yes, banned, we're looking at authority through the Legislature to be able to treat -- to ban single-use polystyrenes -- you know, cups, plates and so forth -- as well as packaging materials.

And seeking broader authority to be able to ban other items that may present a challenge for us from a landfill perspective, human health perspective, or pollution in the long term. It wouldn't be something that DEC would do without any kind of -- on its own administrative authority. We would look obviously through the regulatory process to make a very public process through any future items that we would like to get out of the waste stream.

And I think in a way it's designed to accelerate our efforts to reduce the impacts of waste here in New York State and allow us to be a little more nimble with how we approach things like the plastic bag ban last year, this year it's polystyrene, but there may be other issues in the future where we need to move quickly and more effectively.

SENATOR KAMINSKY: Okay. With respect to extended producer responsibility, I was personally happy to see the carpets and mattresses in here. But I do believe that in light of issues that we are having with glass, with our MRFs having financial strain, that we could do a lot more of a robust EPR effort like they're done in other countries and beginning in other parts of the state. So I'd like to get your thoughts on your willingness to do that or your openness to working with the Legislature to establish a more robust form of extended producer responsibility.

COMMISSIONER SEGGOS: Well, listen, thank you, Senator. And I think we're

obviously more than willing to work with you on any ideas that you have.

The idea of extended producer responsibility approaching waste streams like that is a really important one. We know that it works with carpets and mattresses, for example. California, Rhode Island, Connecticut do that very effectively, and they put the burden really back on the manufacturer as opposed to on the consumer, which has a very important function of incentivizing reduction of waste and using recycled material.

So if we can get that done this year and obviously get that massive amount of waste out of the waste stream -- surprisingly, it's a million mattresses a year and like 120,000 pounds of carpet that's going to our overly taxed landfills already. So any work we can do to reduce those streams and others, we would be appreciative of that authority.

SENATOR KAMINSKY: Okay, I appreciate that.

And with respect to some issues surrounding the Bottle Bill, do you agree with the statement that there's massive fraud surrounding the Bottle Bill that New York can do more to combat?

COMMISSIONER SEGGOS: There's no question that there's fraud surrounding the Bottle Bill. We've got I think something upwards of a thousand investigations over the last five years on the Bottle Bill -- 71 consent orders, $1.2 million in fines and penalties.

So it is a significant issue. We have our Environmental Conservation Police Officers, both uniformed and undercover, on a number of investigations as we speak. And I need to treat that significantly. That's money that should be going to New Yorkers and it's not. Fraud is -- I wouldn't characterize it as rampant, but it's there and we have to deal with it.

SENATOR KAMINSKY: Okay. And lastly, a last question surrounding the Adirondacks. Can you give us assurances that the

stewardship money for rebuilding and reconstituting trails is going to be there at the end of the day to help those repairs in light of the overuse, as opposed to being swept up in the budget process into other areas?

COMMISSIONER SEGGOS: Absolutely. One of my top priorities. I mean, you see the Adirondacks getting this incredible amount of use right now. And it's a good thing; I'd like to say publicly it's a good thing for the Adirondacks to get that use, but we have to make sure that when people get there it's safe for them and the trails aren't being damaged.

So yes, that's the purpose of the increase in stewardship. I want to get sustainable trail crews out there. We think by -- through this proposal we have the opportunity to triple our effectiveness on trail building this coming year, when you match up the new crews that we're proposing with existing crews we have and some of the student crews that are out there.

It's something we have to do. We've got to meet this challenge of increased use and make sure people have safe trips up in the woods and they want to come back because the trails are in good shape. And that's a -- it's a top priority of mine.

SENATOR KAMINSKY: Thank you. I look forward to working with Chairman Englebright and you during this budget process to get good things done for our state.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Thank you.

We're going to go to the chair of our EnCon Committee, Assemblyman Steve Englebright.

ASSEMBLYMAN ENGLEBRIGHT: Thank you, Madam Chair.

Good morning, Commissioner.

COMMISSIONER SEGGOS: Good morning, sir.

ASSEMBLYMAN ENGLEBRIGHT: I have a number of questions that come from your

testimony and the budget. But the first question, does your agency have the staffing resources that it needs to fulfill all of its permitting and oversight obligations and to carry out this budget?

COMMISSIONER SEGGOS: Absolutely. I mean, since I came into this job in 2015, late 2015, we're actually up by 250 staff.

Those increases the Governor tied to the evolution of this job, that DEC in 2015 is much different than DEC in 2020. We've taken on the Climate Leadership Act; the REDI Commission up on Lake Ontario, which is rebuilding the shorelines up there; the Clean Water Infrastructure Act; Superfund.

I mean, we have been making increases to match the changes in the agency, the changes in the field. And I have no doubt that we have the staff right now to carry out this mission.

ASSEMBLYMAN ENGLEBRIGHT: I'm looking at an optimist.

COMMISSIONER SEGGOS: You have to be.

ASSEMBLYMAN ENGLEBRIGHT: I would note

that you've lost almost a third of the personnel in your agency over the last decade, and your obligations have increased, and as you rightly just pointed out. And we're now looking at taking on the world, literally, in the sense of the climate change challenge.

So I would just urge you to take another look at that aspect of the budget, the personnel aspect. I believe we would be receptive to a conversation to add personnel, but I don't believe that we can do that if you tell us that you don't need anybody, everything is just swell.

COMMISSIONER SEGGOS: Well, I don't want to say we don't need anybody. In fact, this budget does have an increase of 47 staff, and that's to be applied to the Climate Leadership Act work, which will be significant on this agency, as well as the REDI Commission. Again, these are natural resource folks, attorneys and whatnot, to help us rebuild the shoreline in a sustainable way on the north coast.

So we do have an increase this year in the budget. I'm grateful for that.

ASSEMBLYMAN ENGLEBRIGHT: Thank you.

Is there a reason to be concerned about the long-term fiscal health of the EPF? And within that context, why does language in the Executive Budget again -- surprisingly, after last year -- allow for EPF money to be used for personnel services? Do we really have to revisit this again?

COMMISSIONER SEGGOS: Well, as to the long-term financial health of the EPF, I don't believe there's a reason to be concerned at all about it. When I first came in, it was -- we were celebrating a $5 million increase, from 134 to 139. Now we have a $300 million EPF; we've had that every year. The Governor has talked about it repeatedly. I understand that, you know, this is really a top priority for the entire environmental community, and we'll keep doing that.

As to the second part of your question, personal services, I mean, we're

proposing a nominal application of personal services to the EPF for the purposes of staff that work on EPF issues. So, much in line with how we apply staff to the Clean Water Infrastructure Act, Superfund, NY Works, other capital pots, that helps us more effectively run those programs.

ASSEMBLYMAN ENGLEBRIGHT: The CLCPA requires state agencies and authorities to invest no less than 35 percent of the overall benefits of certain spending to disadvantaged communities. How much funding does the Executive Budget contain for this purpose?

COMMISSIONER SEGGOS: Well, as you know, moving forward, the Governor has said we have a $33 billion five-year plan on climate. The Climate Leadership Act will require us to ensure that the benefits of our spending accrue at least 35 percent, with a goal of 40 percent in disadvantaged communities.

Now, this year as we now convene as a climate council, we have a couple of jobs ahead of us: First, defining the

disadvantaged communities and, second, begin establishing a way to track how we spend those dollars so in fact that will be done in a transparent process through the CLCPA. And that will be a way in which we will meet those targets.

Now, this budget, as you know, we through the Environmental Protection Fund have had an environmental justice line. That line has been very well subscribed for the last few years. That will be a $7 million line, and we'll ensure that that spending gets done and gets integrated, frankly, with some of the work that will be coming out of the climate leadership -- the Climate Action Council.

So it's a core component of the CLCPA, and we'll make sure that it gets done this year.

ASSEMBLYMAN ENGLEBRIGHT: I'd like to follow up. Senator Kaminsky's first question was about how you are going to go about implementing the CLCPA in the larger sense. And I think that I'd just like to dovetail

with that a little bit.

You've mentioned that you have a five-year program. How does that fit into the CLCPA? What's the context, I guess, of your goal-setting within the context of the goals that are statutory?

And you have mentioned the $33 billion for renewable energy, but the largest -- and of course that's a good start, but the largest sources of emissions are vehicles and buildings. Those two together are something approaching three-quarters of the problem.

It's convenient to go after renewable energy, because we regulate it very heavily and so we have a good handle on it. It's also a good place to start because the basis of everything really needs to be electricity-based. So I'm not questioning the wisdom of beginning there, but I am wondering whether you can give us some specifics as to how you're going to tactically and strategically approach knocking back these challenges that we have of air emissions.

COMMISSIONER SEGGOS: Sure. Well, I couldn't agree with you more. I use the term "renewable energy" in a generic sense. Obviously, if you unpack the $33 billion in the way the Governor did on the slide during the State of the State, it recognizes that front and center. The MTA is transitioning its fleet towards renewables, the Governor --

ASSEMBLYMAN ENGLEBRIGHT: They're buying diesels.

COMMISSIONER SEGGOS: The Governor will be -- will be --

ASSEMBLYMAN ENGLEBRIGHT: The MTA is buying like 25 diesel locomotives.

COMMISSIONER SEGGOS: Well, I'm talking about buses. And --

ASSEMBLYMAN ENGLEBRIGHT: I'm talking about the diesel locomotives. I'm very dismayed about that.

COMMISSIONER SEGGOS: There's $1.5 billion for electric buses and charging stations. That's what's being projected. And a number of other really important things -- EVolve NY. Again, my counterparts

will talk about that. That's upstate fleets, moving upstate bus fleets to renewables, it's the top five largest upstate bus fleets -- 25 percent by 2025, 100 percent by 2035.

I think the -- to get to the essence of your question at the outset was, you know, the $33 billion, how will that dovetail nicely with the CLCPA. I think very importantly it gets us off immediately, while the work of the CAC is underway -- the calendar of the CAC is sort of a two-plus-year lifetime. We're talking about beginning the investments we need to make, transportation, renewables, and then have the CAC create this whole government scoping plan, whole economy scoping plan so that we can take into such things as, you know, how we keep our farms sustainable and how we keep our land sustainable. Really, the entire economy and how it looks and how it feels.

So that's the intersection between the two. To have the resources right away, as opposed to just be talking for two years, is an amazing place to be in right now. And to

have the Governor stand up and say $33 billion will be set aside for this and directed towards this -- in this day and age, with a $6 billion deficit and what's happening at the federal level, is an incredible statement of the state's commitments.

ASSEMBLYMAN ENGLEBRIGHT: Thank you.

I just want to compliment the Governor for leading his budget presentation with the environment and compliment our legislative leaders for leading with the environment in our hearing here today.

COMMISSIONER SEGGOS: Absolutely.

ASSEMBLYMAN ENGLEBRIGHT: Mr. -- President Trump has assaulted wetlands within the last week. Are you open to a conversation with legislative leaders to see what we can do to make sure that we don't slide backwards in wetlands protection and take action in that direction?

COMMISSIONER SEGGOS: Absolutely. In fact we have a proposal in front of you now to amend the Environmental Conservation Law

to strengthen wetlands protections. In fact by removing the mapping obligation, that immediately gives rise to the possibility of about a million additional acres of wetlands that are larger wetlands, and gives us a chance to also add wetlands of unusual importance locally that are less than 12.4 acres.

So yes, we are alarmed at what happened at the federal level and yes, we are very much open to a conversation with you as to how to plug that hole.

ASSEMBLYMAN ENGLEBRIGHT: I appreciate that, Commissioner. Thank you very much.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We just have to --

CHAIRWOMAN KRUEGER: There was a little clock something, but you got your 10 minutes all together.

CHAIRWOMAN WEINSTEIN: Right.

Before we move on to Senate questioners, we have a number of Assemblymembers that have joined us:

Assemblyman D'Urso, Assemblyman McDonald, Assemblywoman Buttenschon, Assemblywoman Griffin, Assemblywoman Barrett, and Assemblyman Fall.

So while they get the clock set, we'll move on to the Senate.

CHAIRWOMAN KRUEGER: And actually we've been joined by Senator May as well.

And when we get the clock set, which will be for five minutes, for Senator Boyle.

CHAIRWOMAN WEINSTEIN: Just a couple more members.

CHAIRWOMAN KRUEGER: Certainly.

CHAIRWOMAN WEINSTEIN: So a couple of members who have joined us. Assemblyman Schmitt, Assemblyman Walczyk, and Assemblyman Aubry I just saw walk in.

Thank you. So now on to the Senate.

CHAIRWOMAN KRUEGER: That's okay. So I want to give Senator Boyle back his 11 seconds --

(Laughter.)

SENATOR BOYLE: That's okay. I won't take that long.

CHAIRWOMAN KRUEGER: Thank you. Senator Phil Boyle --

SENATOR BOYLE: Thank you, Madam Chairwoman.

CHAIRWOMAN KRUEGER: -- the ranker for EnCon.

SENATOR BOYLE: Thank you.

Thank you, Commissioner, and thank you for coming.

COMMISSIONER SEGGOS: Thank you, Senator. Good to see you.

SENATOR BOYLE: I wasn't going to ask this question, but in light of the recent protests, are we looking at a Green New Deal for New York State? Or how would you feel about something on a state version of what they're talking on the federal level?

COMMISSIONER SEGGOS: Well, I think we have that, frankly. I think -- we worked last year with you very closely to pass the nation's most aggressive climate law. There's no doubt about it, that it puts the state on a very ambitious course to reduce our carbon emissions.

And what we're talking about now is backing that up with substantial investments. So the exchange I just had with Assemblyman Englebright I think is part and parcel with that. We need to -- we need to have this, we need to have the Climate Action Council present an economy-wide plan for the state. But we don't need to wait for that to begin making those announcements.

In fact, the very day that the Governor signed the law down in New York City, we also announced the offshore wind -- the very exciting offshore wind announcement.

So I think we do have a Green New Deal for New York. I think the Climate Leadership Act -- the CLCPA is appropriately ambitious, in that it requires us to look really economy-wide and really leave no sector behind.

And also how do we capitalize on the opportunities of this movement. Right? This is an amazing jobs opportunity for New York State. There are working groups that we'll be forming under the Climate Action Council

that will advise us on that, how we protect jobs in New York, how we grow jobs in New York. And in my view that is a Green New Deal. When you can present to the people jobs and a healthy environment and lead the nation, that's a pretty good deal.

SENATOR BOYLE: Thank you. And those of us on Long Island are very excited about the offshore wind initiative, so thank you very much for that.

COMMISSIONER SEGGOS: Thank you.

SENATOR BOYLE: Regarding the $3 billion "Restore Mother Nature" Bond Act -- I know you talked a little bit about it -- have you had discussions about actual projects yet or -- can you speak to that, or is it still in the works?

COMMISSIONER SEGGOS: Well, I mean, certainly aware of the kinds of projects that we could fund with this. Obviously the projects need to be bondable, so they need to be durable and they need to last.

My view on this is the Governor has put some goalposts out there, right --

restoring habitat, protecting against flooding, putting shellfish in the water at a more aggressive rate. But we need to hear from the public as well. I think what's been really effective, under the Governor's leadership, has been such things like the REDI Commission, where we heard locally what the problems were, the REDC, that model of kind of bottoms-up thinking.

The idea for, again, approaching the voters with this in November is we need to be able to communicate what this bond act means for them. So talking locally about this will be very important for all of us. And I'm confident that the way that the language has been put in there in a somewhat general way gives us the flexibility to do an enormous amount of work with it.

SENATOR BOYLE: Okay. And a little bit of a parochial issue, my entire Senate district is within a couple of miles of the Great South Bay. And your initiative of 200 million shellfish, do you have a time frame for that or what you're --

COMMISSIONER SEGGOS: For the shellfish initiative?

SENATOR BOYLE: Yeah, exactly.

COMMISSIONER SEGGOS: Well, that's rolling. I mean, we had --

SENATOR BOYLE: About ending it. Any idea when it would be finished or --

COMMISSIONER SEGGOS: We are actually proposing to double the shellfish initiative. So we've done a significant amount of planting all across Long Island already, reaching 200 million plantings, and the Governor has said that he wants to reach 400 now. And that would be part of the "Restore Mother Nature" Bond Act.

SENATOR BOYLE: Okay, great, thank you.

And lastly, obviously the Governor a number of years ago, five or six years ago, had a moratorium on fracking through executive order, and now it's in the legislative aspect through the budget. Is there a reason that you decided, after six years, to go through legislation?

COMMISSIONER SEGGOS: Well, I think hindsight has proven that we were right to do this. If you look at the damage done to other states and their watersheds, the communities, and how disruptive fracking has been, we decided back then to -- for a variety of reasons, health and environmental, to say no.

And I think this is a statement of the state's position that there is no place for fracking in New York State, that gas should be kept in the ground and we need to protect our watersheds and our communities. So this is an attempt to make this permanent.

SENATOR BOYLE: Okay. Thank you, Commissioner.

COMMISSIONER SEGGOS: Thank you.

SENATOR BOYLE: Thank you.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: Assemblywoman Lifton.

ASSEMBLYWOMAN LIFTON: Thank you.

Good morning, Commissioner.

COMMISSIONER SEGGOS: Good morning.

ASSEMBLYWOMAN LIFTON: I'm going to have to talk to whoever runs the state government. The acoustics in here are still problematic, I think. I can understand my colleagues well, I -- I don't know whether it's whether you speak -- do you come from New York City, Mr. Seggos? -- whether you speak quickly, like many of my New York City colleagues do.

COMMISSIONER SEGGOS: I'll slow down.

ASSEMBLYWOMAN LIFTON: It's just that you're trying to say a lot quickly, so I'm missing some of your answers, so I apologize that I may be a bit redundant.

COMMISSIONER SEGGOS: There's more of an echo this year, yeah.

ASSEMBLYWOMAN LIFTON: And it could be my aging ears, of course, too. That's always an issue.

Mr. Commissioner, I'm sitting here, I'm not out there in front of you or in the aisles, but I share the deep concern and worry that was demonstrated by the New Yorkers who came to protest this morning

and let their voices be heard. And I'm a little frustrated that we're not already seeing appointments.

I know this was asked, but I didn't quite hear your answer. This bill got signed last year, in June. Is there some reason for the delay on appointments and getting this Climate Action Council actually meeting and working?

COMMISSIONER SEGGOS: We'll be making -- as I told the Senator, we'll be making those appointments very shortly. And as soon as --

ASSEMBLYWOMAN LIFTON: Like this week, maybe, we'll see some --

COMMISSIONER SEGGOS: I don't know whether it's going to be this week or next, but we'll be making the appointments very quickly and then, shortly thereafter, convening our first meeting. So that's my intent.

ASSEMBLYWOMAN LIFTON: Is there any date set yet for the first meeting?

COMMISSIONER SEGGOS: We don't have a

date set. Obviously we'll have to reach out to gauge the schedules of all the appointees, some of whom will be traveling from far away.

ASSEMBLYWOMAN LIFTON: Okay. Again, we all agree this is an urgent matter, and we want to take leadership here in New York and show that leadership in everything we do, I hope.

HABs. You know, I'm from the Finger Lakes. Cayuga Lake is my big lake there, and I'm hearing like a lot of concern still, I mean ongoing, about the HABs issue -- in fact, growing concern. We had severe outbreaks again this summer, we had to shut down beaches, waterways, recreational activities were interrupted, homeowners are very -- are unhappy and concerned.

And what I'm understanding is that we still -- the DEC keeps telling us they're going to have a TMDL for us, we were told end of October. It's my understanding, am I right, that we really can't go ahead, it's -- we really don't have a plan in place, people aren't able to do specific, discrete,

concerted work until we have that TMDL for our lake. And I assume -- I don't know how many other lakes this applies to; many, I assume. Tell me -- can you tell me when we're going to get the TMDL for Cayuga Lake, first of all, and maybe speak to it a little more broadly in it -- maybe why it takes so long, apparently, to do these things.

COMMISSIONER SEGGOS: Mm-hmm. And I did check with my staff last week about the TMDL in Cayuga Lake. We are probably a couple of weeks away from putting that out for comment. TMDLs are, by their nature, extraordinarily complicated and intensive, so they take a bit more than, say, a nine-element plan, which is another approach to a waterway.

ASSEMBLYWOMAN LIFTON: I'm sorry, what did you call that?

COMMISSIONER SEGGOS: The nine-element plans. For example, we have one of those underway on --

ASSEMBLYWOMAN LIFTON: Skaneateles.

COMMISSIONER SEGGOS: -- Skaneateles,

exactly.

A TMDL is far more intensive. It uses much more data and, you know, presents really a pollution budget for a waterway. That's not to say that we're not trying to get that out as quickly as possible. But really in the next couple of weeks you'll see something on that. We'll let you know.

ASSEMBLYWOMAN LIFTON: Is that data all stuff DEC is collecting or -- I know we have some people, some groups out there, not-for-profits, that are collecting data. Is that data coming into DEC, and is that being used at DEC?

COMMISSIONER SEGGOS: We would seek to bring in as much data as is possible. And ultimately if it passes quality assurance, quality controls in the way that it was collected and presented and analyzed, then it would meet our criteria for review.

I would say, just more generally on harmful algal blooms, it's something that we're taking extraordinarily seriously. We launched the harmful algal bloom summits a

couple of years ago, which guided our investments around the state.

We've now made $187 million worth of watershed protection investments specifically for HABs across the state. We've also been pioneering some new technologies to use when a HAB happens, that we can quickly hit it and respond to it and reduce the threat.

This is not just a New York problem, it's a national issue. I don't think there's a state doing for HABs what we're doing at this stage. But, you know, until we address climate change and severe weather, I think we're still going to be behind the eightball on HABs. Getting these investments out there quickly, protecting watersheds, improving septic systems, wastewater, and working with farms -- all of that work is going to have to come into play in the coming year.

ASSEMBLYWOMAN LIFTON: We're going to have to put up with this problem for a lot longer, it sounds like you're saying.

COMMISSIONER SEGGOS: For the TMDLs?

ASSEMBLYWOMAN LIFTON: For the HABs.

COMMISSIONER SEGGOS: Oh, no, I -- listen, I think HABs are going to be a problem for many waterways nationally. I think that in New York we -- based on the monies that we've been able to get through the Legislature and the Clean Water Infrastructure Act, through the Environmental Protection Fund, that we're going to put these watersheds that have persistent problems in a much better place. The TMDL will help to get us there on Cayuga. Skaneateles, like the same problems that we're seeing there, I believe we can address more quickly because we have the strength of the Legislature and the budget behind us, not just the science on knowing where it happens and when it happens.

ASSEMBLYWOMAN LIFTON: Thank you, Commissioner.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate?

CHAIRWOMAN KRUEGER: Thank you.

Senator John Liu.

SENATOR LIU: Thank you, Madam Chair. Good morning, Commissioner.

COMMISSIONER SEGGOS: Good morning, Senator.

SENATOR LIU: I remember a year ago you did say it was going to be your last hearing. And I was thankful for your service.

COMMISSIONER SEGGOS: Thank you.

SENATOR LIU: Now you're back, congratulations -- or should I offer you my deepest condolences?

COMMISSIONER SEGGOS: (Laughing.) It's congratulations.

SENATOR LIU: In any event, I do have a few questions for you. By the way, I want to say that your legislative affairs staff -- absolutely phenomenal.

COMMISSIONER SEGGOS: Excellent.

SENATOR LIU: So you should give them a raise.

COMMISSIONER SEGGOS: Okay, will do.

SENATOR LIU: All right. With regard to the EPF, I guess some of the money that

used to be for operating costs to pay staff, that's now been shifted into the capital fund. Is that a good idea? I mean, what's going on there?

COMMISSIONER SEGGOS: So there are a number of capital funds that we have at DEC: Clean Water Infrastructure Act, NY Works, Superfund. And we apply the staff that work on those projects -- some of the staff -- to those funds.

And the same approach would -- we're asking the authority to put the same approach in play here with the EPF to a nominal level. EPF, $300 million, serves a number of functions around the state. Our staff are deeply invested in carrying out the mission of the EPF. And I think it's entirely appropriate to have those staff who are doing that work being paid for by the EPF.

SENATOR LIU: All right. But the staff are doing the same -- they're doing the same thing they've been doing, it's just that now they're going to be paid for out of capital funds instead of operating expenses.

COMMISSIONER SEGGOS: That's right.

SENATOR LIU: So, I mean, some skeptics would call that a budget gimmick. Not necessarily of your doing, but just overall, it's kind of a budget gimmick.

COMMISSIONER SEGGOS: Well, listen, I -- if it's appropriate for the other capital pots, and I think that it is entirely appropriate for the other capital pots, I think it should be appropriate for the Environmental Protection Fund. Which, again, we've -- when I first started was $134 million, now 300 million. We're doing more with it than ever, and those monies are going out all across the state for really important purposes down in Queens and really everywhere.

So -- so I think -- you know, I understand what you're saying, but I respectfully think it's a -- is a wise use of those monies.

SENATOR LIU: Okay. My colleagues have already asked you about the adequacy of the budget for your agency, and you've stated

that you're happy. I guess you can't really say anything else. I understand your situation there.

COMMISSIONER SEGGOS: I am happy.

SENATOR LIU: I mean, I -- look, I think many of us are concerned, myself included, that the charge for the DEC is growing, and rightfully so. We have -- you know, the new law is in my opinion ambitious, although, you know, not everybody is happy with the pace of progress so far. But nonetheless, it's a lot more for the DEC to deal with.

So, I mean, is there really enough staffing even with the additional 47 full-time equivalents?

COMMISSIONER SEGGOS: Senator, I honestly couldn't be happier with this budget. I mean, to be --

SENATOR LIU: You could not be happier.

COMMISSIONER SEGGOS: I could not be happier. We have -- if this budget goes forward as is, we would be up almost

250 staff since the day I first took office. And our budget itself growing, you know, $464 million this year now. Capital, $7.3 billion. I mean, those -- unimaginable back in 2011 during the first fiscal crunch.

And now we have another fiscal crunch, and yet the Governor has said this still means enough to him to put those dollars into this agency. That's a reflection, I think, of the priority that the Governor has put on the environment. It's a priority of mine for sure, to make sure that we have enough staff and enough money to carry out our programs. And we're doing it, frankly, better -- we just have a better approach, a more efficient approach.

SENATOR LIU: Okay. I mean, $1.8 billion is a significant chunk of change. Is -- does the $1.8 billion include any money that your agency collects in fines and penalties?

COMMISSIONER SEGGOS: You're talking about the $1.8 billion that I mentioned earlier for climate?

SENATOR LIU: Well, no, I'm talking about your overall agency budget of $1.8 billion from the All Funds appropriations. Does that include amounts that DEC collects from fines?

COMMISSIONER SEGGOS: It should be an All Funds number, but -- I'm not sure I entirely understand the question.

SENATOR LIU: Well, okay. Let me ask it a different way. The DEC levies significant amounts of fines on businesses, on homeowners as well.

COMMISSIONER SEGGOS: We do have a robust program to enforce the law, there's no question about it.

SENATOR LIU: And those fines that are levied by the DEC, do they come back not to the DEC or do they go into state coffers?

COMMISSIONER SEGGOS: No, they go into the General Fund.

SENATOR LIU: All right. So they do not contribute at all to DEC.

COMMISSIONER SEGGOS: No.

SENATOR LIU: Okay. Thank you, Madam

Chair. I'll come back for seconds.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: We go now to the ranker on EnCon, Assemblyman Stec.

ASSEMBLYMAN STEC: Thank you, Chair.

Can you hear me, Commissioner?

COMMISSIONER SEGGOS: I can.

ASSEMBLYMAN STEC: I'm personally glad that you're back again.

COMMISSIONER SEGGOS: Thank you, Assemblyman.

ASSEMBLYMAN STEC: So thank you, thank you for your service. And I echo my colleague's sentiments; your staff is fantastic. So thank you.

Last fall the Republican Assembly Conference held hearings around the state regarding our Task Force on Clean Water, and one of the complaints that we consistently heard in these hearings is that the application process for clean water infrastructure is too long and too complicated for a lot of the smaller

municipalities, and also expensive.

So we'd like to see this streamlined. But I was wondering if you'd heard any similar complaints and what you might suggest could be done to improve the process and what your office could do to help make that an easier process for these smaller municipalities.

COMMISSIONER SEGGOS: Sure. Assemblyman, I think we have -- it's not the first time we've heard that. And I think when we hear about issues in smaller municipalities that they're having with the application process -- whether it's DEC, DOH, for that matter, or it's the Environmental Facilities Corporation, which processes most of those applications -- we try to lean forward and make the call, not wait for the application. It can be in a meeting. Find ways to speed things up, make sure that the application we get is complete, which historically we'd get incomplete applications that would delay things.

We're trying to be customer-centric in

this, in that, you know, they are the customer looking to us for help and we want to make sure we get that money out the door that we -- that you have made available to us. So if there are creative ways in which we can do that more effectively, I'd be all ears. I believe it would be an operational thing within DEC.

We also have been putting out engineering planning grants more effectively through our WQIP line in the EPF. Those planning grants, frankly, are perfect for smaller municipalities, right? Because to get the big dollars for a big upgrade, you need the engineering designs for it. So the planning grants actually are a good chance for the smaller ones to get into a pipeline, get a good plan prepared by a consultant, and ultimately get the physical construction grant at the end of the day.

So please work -- tell me, you know, which one -- it doesn't have to be here, but you can tell me which ones are in need of more assistance, and we can get them into a

better pipeline.

ASSEMBLYMAN STEC: Well, thank you for that. And I certainly will, but I also suspect that, you know, for every one that I'm aware of, there's dozens more that -- you know, that are asking similar questions. But I appreciate your answer.

In that same vein, we've seen reports that call for the need in capital investment for water and wastewater over the next decade to be approximately $40 billion each, water and wastewater. Certainly that doesn't all need to be state dollars. But there's been a migration, since the Clean Water Act in 1972, where the federal government initially had been funding 75 percent of a lot of this, and now over the course of the years there's been fewer federal dollars, fewer state dollars available, and now all this infrastructure that was constructed in the '70s and '80s is aging out and in need of major upgrade.

What steps do you think that we can do at the state and perhaps at the federal level to try to secure more dollars, as I mean,

$80 billion of capital improvements to critical infrastructure like water and wastewater is an awful lot to -- for small local municipalities to be looking at without help.

COMMISSIONER SEGGOS: Yup, no doubt. No doubt that the burden has shifted to the states, all states, to carry that forward.

But we have a good story to tell in New York. I mean, we worked together on the Clean Water Infrastructure Act. Those dollars never existed in the past -- it was all loans for 20 or -- for almost 30 years, we were saying to all municipalities, go apply for low-interest loans at EFC. And many of them did. Many of them could not. But now the grant program has opened that up significantly.

I mean, I've got, over the last five years, $1.5 billion in grants have gone out, with total project costs of $4.7 billion -- and that's in addition to another $11 billion in loans. So we've got almost 15 -- almost $16 billion in the last five years that have

gone out for wastewater infrastructure. You keep carrying that forward, as we intend to do, that's going to make a significant dent in the overall delta, right, between total project needs and what we're able to provide. If you're doing that over 10 or 20 years, I think we're going to modernize New York's wastewater infrastructure in that process.

ASSEMBLYMAN STEC: Well, thank you for that.

One last question I'll try to get in. I want to ask about -- I would view it as a contradiction in policy on the one hand regarding fuel, transported fuel in the state. Certainly trucking fuel is expensive and has a large carbon footprint compared to pipelines that would move fuel a lot more efficiently and a lot more environmentally friendly. But there's a contradiction there that we're not embracing pipelines.

Can you comment on that or explain that? And that's my last question. Thank you.

CHAIRWOMAN WEINSTEIN: If you just

want to -- a short answer.

COMMISSIONER SEGGOS: Sure. Okay.

I think they're two very different things. First of all, our need to address emissions from the trucking -- really, the transportation industry, is very high. You know, it is, as one of the commentators mentioned, the largest source of emissions in New York State. And we've been putting monies behind that and certainly, as part of the $33 billion that some of the other commissioners can talk about today, directing those dollars into modernizing fleets, making trucks more efficient or getting trucks, frankly, off of those kinds of fuels.

And pipelines are an entirely different situation. I mean, our authority to look at a pipeline is narrowly constrained to the wetlands, water quality impact in trenching through rivers and streams. I mean, that's literally all we look at.

We take that very seriously. I mean, for a state that has endured significant legacy contamination issues in drinking

water, that's how we -- we apply our authority very aggressively on all projects that could impact water quality.

ASSEMBLYMAN STEC: Thank you.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator Seward.

SENATOR SEWARD: Thank you, Madam Chair.

Commissioner, good to see you again, and your team.

COMMISSIONER SEGGOS: Good to see you.

SENATOR SEWARD: I wanted just to drill down a bit further on the $3 billion bond act, the "Restore Mother Nature" Bond Act. I know you've talked about some broad outlines in terms of types of projects, and also a process of seeking public input in terms of important projects.

But would you anticipate at some time, prior to going before the voters asking their approval in the November elections, that we

will have and the voters will have some specific projects that they know what they're going to get for this $3 billion in borrowing?

COMMISSIONER SEGGOS: Senator, yes. I think that will probably be how we end up talking to the voters about this. Right? You need to put these in real terms, and real terms that people can understand, either the lack of green space, the lack of environmental protections, or, in the case of Irene and Lee, you know, these valleys that were heavily damaged and how perhaps Restore Mother Nature can help to restore those functions.

So I'll leave the campaigning to a different time, because I think it is a -- it's a good question. Obviously we need to work with you to get it done in the budget; then, beyond that, working with the Governor on how an effective campaign could then be communicated to the voters so that they say yes come November.

SENATOR SEWARD: I am encouraged with

the flood mitigation efforts in terms of stream work to avoid some of the flooding we've seen, to clean the upstate region due to streams. I know right in Schoharie County, for example -- it goes back to 2011, and I know there's a meeting, I think on Friday, with some of the Schoharie County officials with some members of your staff to discuss further ways that the state could be helpful there. That's been an ongoing problem and issue.

But that was nine years ago, and we're hoping that we can get some help either -- even before or as part of this bond act. That would be encouraging. Because Mother Nature did a job on some of these communities and these streams --

COMMISSIONER SEGGOS: She did, yup.

SENATOR SEWARD: -- and we need to help restore Mother Nature in the Schoharie Valley.

I just wanted to also follow up on the Climate Action Council. Would you anticipate -- are there going to be business

representatives, private-sector business representatives on the council to help provide -- and also, would there be some cost-benefit analysis? And would you anticipate coming back to the Legislature for any additional consideration by the Legislature in some of these recommendations of the council?

COMMISSIONER SEGGOS: Thank you for asking that.

So absolutely. Even on the Climate Council itself, we believe that some of the appointments made thus far actually have represented certain industries in the past.

There are various workgroups underneath the Climate Action Council -- agriculture and forestry, power generation, energy-intensive and trade-exposed industries. All of those workgroups, as they're going to be appointed by the Climate Action Council, would represent exactly what you're talking about: The impacts to businesses, the opportunities for businesses, the chance to bring in, you know, new

business into New York State, new sectors into New York State.

So I think the economy and business and jobs will factor in very extensively into what we talk about -- a just transition workforce as well -- just to make sure that we are, when we transition the economy, taking into account the potential impacts to existing jobs and industries.

SENATOR SEWARD: Yes, I couldn't agree more. Their input is I think critical --

COMMISSIONER SEGGOS: Agreed.

SENATOR SEWARD: -- to the future and also to help with the change in the economy and the new jobs and opportunities that would be out there.

One final question, and this is on the polystyrene single-use plastic container ban that's in the budget. Following up on -- in terms of businesses, has the department met with business groups to discuss this in terms of how many businesses would be impacted? Is there a workable way to go about doing this?

COMMISSIONER SEGGOS: We have started

early engagement with the stakeholder groups, businesses on one side, other businesses that have an interest in filling the void with alternatives to polystyrene, as well as some of the groups out there that want to see this ban go into effect and appreciate the environmental and health benefits of that.

And that's something we would continue -- as we get through the legislative session with this and go into regulations, we'd be doing even more intensive outreach.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: Assemblywoman Glick.

ASSEMBLYWOMAN GLICK: Thank you, Commissioner. A few questions.

Number one the forests in New York are under tremendous stress. Part of it is climate change; species of certain trees are feeling those effects. In addition, there are invasive species. Around the New York City Watershed, there are a lot of hemlocks. They are being attacked by an invasive species. If they die, we will see more

sedimentation of the New York City reservoirs.

What is the agency doing to deal with this threat, not just there, but further north that are going to impact lakes, et cetera?

COMMISSIONER SEGGOS: I couldn't agree with you more, Assemblywoman, about the threats. The hemlock woolly adelgid, a pest that will undoubtedly look to the trees in the New York City Watershed.

The New York City Watershed is the gold standard in watershed protection and has very well funded protective measures that have been taken into account there over the last 20 years.

My view is these are -- would be smart investments from the city to prioritize -- the City of New York to prioritize the protection of those trees. Because they've spent all this money in protecting the actual water itself and buying land and setting aside land. If the trees go, you're right, the sedimentation then increases and the

water quality goes down. We want to avoid this filtration issue of -- you know, the multi-billion-dollar filtration plant that EPA would force the city to put in place.

This would fit right into it, in my view, and we stand ready to provide technical expertise. And we've been looking at this very closely, our natural resource folks, over the last few years as this threat has begun to materialize even more.

ASSEMBLYWOMAN GLICK: Well, I look forward to getting more detailed information from your staff on what you're doing.

I think today you're having a hearing in the city on the regulations for the plastic bag ban. I would just like to point out to you that it seems like there's the thought of a thickness standard. That is very problematic. What we'll wind up with aren't the elimination of plastic bags, we'll wind up with thicker bags that are more problematic to the environment. So I would hope we would not go down that route.

Forty percent of the state-owned

buildings are SUNY buildings. If we're going to attack climate change and try to upgrade facilities, what is the department recommending to the Governor in terms of providing support to SUNY in order for them to make improvements in their aging facilities, which obviously are not up to snuff in terms of trying to be as renewable as possible?

COMMISSIONER SEGGOS: We certainly recognize that buildings, as someone mentioned earlier, are a significant source of energy demand and an opportunity for us to do better.

Respectfully, I'll let NYSERDA and the other energy agencies discuss those plans on buildings, green buildings, and the interplay with the SUNY system. No question they have a huge footprint, and a big opportunity for all of us to chip away at it. I have a meeting scheduled actually with Chancellor Johnson to talk about a number of issues, and this will be one of the things that we talk about.

ASSEMBLYWOMAN GLICK: Well, I would hope when we eventually get folks on this advisory board that they would take into consideration all of the aspects of the state facilities that could in fact help us move more quickly to address climate change.

Finally, there are the recent reports that out-of-state brine from fracked sources is being used on our roads when we need to do weather-related protection for vehicles. What's the story, and are we allowing that to be used in our state?

COMMISSIONER SEGGOS: Thank you for raising that.

I can say definitively that no brine is coming into New York State from any fracking and being used on our roads. I know that that's been said, but for the record, it's not happening.

ASSEMBLYWOMAN GLICK: Thank you. I have to run to a meeting; I hope to be back while you're still answering questions.

(Laughter).

ASSEMBLYWOMAN GLICK: Thank you very

much.

CHAIRWOMAN WEINSTEIN: Senate?

CHAIRWOMAN KRUEGER: Thank you.

Senator Jen Metzger.

SENATOR METZGER: Thank you, Madam Chair.

And thank you, Commissioner, for answering -- being here to answer all these questions.

COMMISSIONER SEGGOS: Sure, thank you.

SENATOR METZGER: So just starting out wearing my Agriculture Committee chair hat, the farmland protection funding was reduced by a million dollars. From my perspective, it should be going in the other direction. Farmers are under -- or just land is under intense pressure, development pressure -- can you guys hear me? So farmland is under intense development pressure. Agriculture also has a huge role to play in sequestering greenhouse gas emissions, and it's very important from a climate perspective to protect farmland.

So could you please give us some

information about the reasoning behind that cut? And do you expect increased funding under the "Restore Mother Nature" Bond Act?

COMMISSIONER SEGGOS: Sure. I'll let Commissioner Ball maybe answer specifically about the specific EPF number.

No question about it that farmlands play a huge role not just for carbon sequestration, but in and of themselves, the economy. We are losing our farmland in New York State, unfortunately, as we are really nationwide. The Clean Water Infrastructure Act -- just a couple of programs to bring your attention to -- has actually directed significant monies, I don't know the number offhand right now, but into buffering around farms, farmland protection, manure storage, lagoon upgrades and things along those regards.

And then the Restore Mother Nature, you've heard the Governor talk about the landscape, protecting the landscape. And certainly farms are on the landscape and have not just a carbon footprint but an

opportunity to remain as-is and not lose their status and become, you know, shopping malls or development projects.

So, you know, the EPF is a very important tool, but there are other very effective tools to also protect farms. And thankfully the Legislature gave us those tools over the last few years.

SENATOR METZGER: Okay, thank you. I'm going to put on what I like to call my climate commonsense hat for a moment. I appreciate your comments that we really need to rethink everything in light of the climate crisis that we face. I was absolutely thrilled with the passage of the CLCPA and that your department is going to be playing the lead role in implementation.

My question is, would you agree that given the aggressive goals of the CLCPA to achieve a carbon-free energy system by 2040, with an interim goal of 70 percent, that it would be imprudent to approve permits for fossil fuel generation, including CPV and Danskammer, which have a useful life span of

50 years or more? And if you could use legislative tools to help your department deny such permits, feel free to share your thoughts about that.

COMMISSIONER SEGGOS: I can't weigh in on the market incentive behind making those investments.

What I can say is the state has clearly stepped out and said that by 2040 those types of generation sources will not exist. So the law right now requires us to process permits, and we do so as aggressively as possible. And if something comes in front of us and they check every box, there are constraints for that. Right? And we also need to make sure that we are generating enough power until we make those changes over the next, you know, 20 years exactly.

So our goals I don't believe are in conflict with the permitting underway. I think that the industry will be looking very closely at the work of the Climate Action Council and the scoping plan that's put together, to evaluate whether or not it makes

sense from a market perspective or if there are other directions that they as investors or developers should be heading, such as towards renewables.

SENATOR METZGER: Okay, thank you. I am concerned about exactly the market signal that's sent if such permits are approved, in addition to the impacts on health and the environment.

I think I'm out of time. Right? Okay, thank you very much.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: We now go to our Ways and Means ranker, Assemblyman Ra.

ASSEMBLYMAN RA. Thank you.

Thank you, Commissioner. I just have a few questions about a few different areas, starting with the Mother Nature Bond Act and the provisions regarding money being allocated potentially for renewable energy projects, site preparation, construction. How would that work in terms of Article X provisions? Would they be fully applicable,

streamlined in any way, in terms of awarding those projects?

COMMISSIONER SEGGOS: I don't know that there's a deliberate connection between the language in the proposed environmental bond act and what the Governor had sketched out during the session -- the budget presentation on Article X.

There's no question that the bond act can be helpful in setting aside some space that might be needed or otherwise, you know, improving infrastructure to help with the delivery of renewables into New York State. But I think those are two separate things.

The Article X reform that the Governor sketched out very briefly recognizes that that permitting process right now is not working and we as a state need to do better to get projects through that pipeline much faster. The five-to-ten-year period frankly is going to be a massive bottleneck for the state if we're going to meet our renewables goals.

So finding a way to accelerate that --

again, my colleagues from the other agencies can speak about that more effectively. But from my view, I see the goals, I see the timeline, and I see a process that frankly is a bit broken.

ASSEMBLYMAN RA: And I guess on a different topic, but along the same lines of streamlining, in terms of the Clean Water Infrastructure Act, you know, we're making continued increased investments in that, which I think we all think is a positive thing. You know, in these first few years of that, do you see the need for any changes in that process in terms of having things approved? I know we've -- our conference had a task force that we did around the state talking to, you know, municipalities and other stakeholders just in terms of what they see their needs going forward and, you know, what investments we need to make. And certainly making sure projects that come in that are going to meet the goals of the Clean Water Infrastructure Act, getting them approved in a timely fashion is certainly

part of that.

COMMISSIONER SEGGOS: Well, I will agree with you, it's been an extraordinary undertaking and a fantastic law itself, the fact that we have now this fund to provide, you know, necessary dollars for all these plants and systems across the state.

As Assemblyman Stec mentioned, you know, there are ways in which we can help some of the smaller municipalities through that process. In my view, that's an administrative issue on our end that we can find ways in which to help coach applicants through and provide grants, or at least steer them towards competitive pots of smaller grants that enable them to get engineering plans together. I think that is the sweet spot, perhaps, because the funding has been really extraordinary. And EFC, Environmental Facilities Corporation, has done just a fantastic job on the loan side in marrying up those grant pots with the loan pots so that you can present a complete opportunity for all these municipalities.

So there may be some things we can do around the edges, but we're extraordinarily happy that again this year is another $500 million towards clean water. And I imagine that will be carrying forward for a while.

ASSEMBLYMAN RA: Thank you. My last question, and it relates to the Styrofoam ban, I'm just wondering, in terms of the language, how we would handle -- my understanding is there are -- I've heard two, then I heard four, possibly, manufacturers of these type of products in New York State, and how they would be impacted in terms of their ability to do business in other states, whether they would still be permitted to manufacture those items and ship them out of state or would the ban prevent them from doing that?

COMMISSIONER SEGGOS: Absolutely, the businesses that are currently producing polystyrene will be able to continue producing that and sell it to outside markets. There's also a two-year phase-in

that I'm hoping that over this phase-in period we can help to move these businesses -- and I don't have the exact number -- but move them towards alternatives that can be sold here in New York. Because there will be then a great demand here in New York State, a great business opportunity right here in New York, to produce the non-polystyrene alternative.

So that's really the essence of the phase-in, is giving that ability for the market to adjust, but also for us to work with them directly on that.

ASSEMBLYMAN RA: All right. Thank you, Commissioner.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate?

CHAIRWOMAN KRUEGER: Thank you.

First off, we've been joined by Senator O'Mara.

And the next up for questions is Senator Anna Kaplan.

SENATOR KAPLAN: Thank you,

Chairwoman.

Commissioner, I want to thank you and also thank Governor Cuomo in our fight against climate change and wanting to make New York State a leader, and for also proposing the "Restore Mother Nature" Bond Act. As you said, this is really an important investment for all of us, and we need to do everything possible in our fight against climate change.

So my question to you is about beginning to invest in electric-vehicle charging infrastructure, and particularly for schools. We know that we need to transition private vehicles over to electric in pretty short order, but there just isn't infrastructure to support charging stations yet.

Will the bond funding include money to invest in our charging infrastructures for schools and for our residents?

COMMISSIONER SEGGOS: As is currently written, the bond act does not have a direct impact on that. But separately in the

budget, which NYSERDA and DPS can talk about later, there is an effort now to increase charging infrastructure as well as the incentives tied to the purchase of electric vehicles.

We've done a great job over the last eight years in pushing people towards EVs. I think we're in the top three states in the U.S. on that. The Governor, as you may have seen at the budget briefing, has now brought in a Nobel laureate to help us reshape the system from the EV -- the EV structure system as well as top to bottom how those these vehicles are purchased.

And the monies would ultimately come out of probably not the Restore Mother Nature Bond Act, but out of other energy funds that are being shaped now.

SENATOR KAPLAN: Okay. The second part of that is, the school buses are huge emitters of carbon, not to mention the diesel engines that produce a lot of noise and require a lot of maintenance, and the cost that is charged to our schools. I think this

would be really a good investment for our schools and for our residents.

There are countless benefits of switching our schools, so maybe you could really find some funding for this, for our schools to be able to make their transition to electrical vehicles. And also possibly making investment in our schools in the buildings, whether it's solar or thermal, whatever that we can do to help them make that transition.

COMMISSIONER SEGGOS: Agreed. There's so many reasons to treat our schools with some care here, because students are the most vulnerable populations of all. And in fact that was one of the reasons why we dedicated a significant portion of funding through the Volkswagen settlement towards the purchase of clean buses.

And again, there are a number of efforts underway at NYSERDA, DPS, and NYPA to provide money to schools to go solar, incentives to go geothermal. The work of the Climate Action Council will certainly look at

that sector and ways in which the state can be helpful in providing more funds for that very significant footprint statewide, all the schools.

SENATOR KAPLAN: Thank you.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: Assemblywoman Fahy.

ASSEMBLYWOMAN FAHY: Thank you, Madam Chair.

And good morning, Commissioner, thank you for -- or good afternoon, thank you for being here. Really appreciated a whole host of your comments, and I want to make a couple of comments on that and then I've got just a couple of questions.

One, really appreciate that this is at the top of the State of the State and the budget and that the focus is very real and the multipronged approach that you are taking. Also very appreciative to see the staffing increases in the budget this year, it's very encouraging. Also want to mention

really appreciated the numbers that you've put in in the State of the State Book that you know I'm going to keep repeating, and that is the $26 billion that this state has spent on weather-related disasters just since 2011, and the 50 billion that you project.

Which will lead me into a couple of my questions, but prior to those couple of questions I also want to mention a couple of things. I want to keep working with you on this issue at the Coeymans -- in Coeymans regarding the LaFarge plant. I know we've had some good conversations. You'll be seeing a letter from me about these tires and how we -- the waste or the possible burning of these used tires. So we'll keep talking about how we can grow new markets for those used tires.

I also understand -- I was out when fracked gas came up, and I'd like to follow up with you. I understand there's some conflicting data or reports about whether fracked gas is still being imported -- the waste is being imported into

the state. So I'd welcome following up with you on that.

Back to the need and the disasters. I really am appreciative that the Governor has been out there with this $3 billion bond proposal. And as you know, I had mentioned the need for a bond a couple of months ago in one of our last hearings on the environment. My only question is given some of the very serious needs, and given that we haven't had one in almost 25 years, is this enough?

I really appreciate the focus on resiliency and the Mother Nature, but wondering if we need -- I think, I would contend we need to go further and take full advantage of this opportunity with retrofitting and energy efficiency, electrification that we've heard mentioned. And as you know, I'm very focused on SUNY/CUNY.

Can you talk about what the need is and how we ended up with the $3 billion? Again, putting my cards right out there that I'd like to go beyond that.

COMMISSIONER SEGGOS: Well, thank you for raising that. And, listen, I'll leave the numbers to a higher level to sort out.

I will say this, though. The fact that, again, we're in a financial crunch right now and we have the Governor proposing not just hundreds of millions but $3 billion as a bond act is a representation of how serious this is. And the fact that it's additive to all of our other programs -- the clean water programs, the Superfund, NY Works, EPF -- again underscores how serious this issue is for this administration.

And as to whether it is enough, well, I think there are no dollars now. And we're doing quite a bit now. And I think with the $3 billion additional, we'll be able to transform the state. I view it as an investment. Right?

I mean, again, you picked out of the book those numbers -- $26 billion of damage that the state and feds have paid for here in New York from severe weather over the last few years, 50 billion we're projecting

looking forward over 10. You either make these investments now or you're going to pay a lot more in the future. And it's a testament to the Governor's commitment here and the fact that he's experienced those storms viscerally, and being able to translate that into actual policy here for the state is a great thing.

ASSEMBLYWOMAN FAHY: Thank you, Commissioner. I appreciate that, and I agree, it's incredibly encouraging. I just want to make sure while we're going down this road we do as much as needed, especially with the extraordinary demand.

And part of that demand is my last question: Water infrastructure. I know we haven't had any updated reports, but I do feel like every other day we're seeing a new report about water -- the contaminants in our water. So it seems as if the demand and the need is growing.

Can you talk a little bit about what the established need is? And of course I too would like to see this as part of this

bonding, to go a little further. Not dismissing at all the great inroads that we have made with the investments -- I agree with your word, the investments that we have made in our water to date. But can you talk about what the need is going forward?

COMMISSIONER SEGGOS: Sure. Well, again, thanks to the Legislature and thanks to the Governor's foresight on this, I mean, we have a head start on this issue.

Several years ago we did the billion-dollar Superfund reauthorization, which helped us to address so many problems across the state as they emerged -- as the science became more apparent, as things like Hoosick Falls emerged, we were able to apply those dollars and to fix a real problem locally.

Wastewater infrastructure, neglected for 30 years in New York State -- we collectively made up our minds that we needed to fix that, so we got $2.5 billion behind that. And again, as I mentioned earlier, $15.8 billion in projects over the last

five years. I mean, we can point to that as a real success story. Moving forward, we've got $500 million again this year as a proposal from the Governor into the Clean Water Infrastructure Act.

And the idea about all of these different funding sources is to try to do our best to integrate all of them into something cohesive, right? Not treat them as one-offs, but something cohesive.

The bond act, yes, has a focus on the environment, on clean water, on drinking water. But if you pay to restore habitat in a certain area, that has dual benefits. It's also restoring water quality. So we can make single investments that have multiple purposes, and that's really the idea behind having something that's well-crafted, well-envisioned, but also integrated to all the other pots.

ASSEMBLYWOMAN FAHY: Thank you, Commissioner, and thank you, Chair.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Senate, Betty Little.

SENATOR LITTLE: Thank you.

Thank you, Commissioner, for continuing to be commissioner. You do a great job, and I enjoy working with you, that's for sure.

(Audio interruption.)

SENATOR LITTLE: I too saw many things in the budget that are --

CHAIRWOMAN KRUEGER: We've been interrupted by the impeachment. Hold on one second, Betty.

(Discussion off the record.)

CHAIRWOMAN KRUEGER: Sorry, Betty. Yell at Senator Seward later.

SENATOR LITTLE: Thank you. There are many, many things in the budget that are good for the North Country, and I truly appreciate what the Governor has put forward here.

The additional positions that you have, I would hope some of them would go to my absolute favorite DEC people, the Forest Rangers. We have talked about the need for additional Forest Rangers for a number of

years, since we have so much more state land being added. But their work, as noted in the newspapers -- they seem to do a report week by week of the dangerous, risky work that they do in saving people, helping people find their way out and avoiding death. So really appreciate them.

The one thing that they need -- I know we've combined them with the Environmental Conservation Officers, but what I hear from them is the need for an absolutely strict list of what they do differential from Environmental Conservation Officers. They do not want to be enforcement officers, they want to be the people who go to fires, who go to lost people, lost animals, all kinds of things that they have worked on. So I would ask you just to continue that.

The tourism in the Adirondacks has increased greatly. There are more and more hikers. I hate the word "trail overuse." I'd rather see "trail popularity," it's more positive. But is there any money in this $55.2 million capital that would help with

the hiking center that we have plans for and being proposed for at Marcy Field in Keene? Where people could go and find out, you know, you don't have to use the popular trails, let us tell you about some other trails in the Adirondacks -- how you get there, where you park your car, and all of that.

So hopefully -- you don't have to answer right now, but I'm putting in a plug for that money.

And then the second thing you have that I thought was good too is this partnership between Clarkson and SUNY ESF on the algae blooms, which is totally necessary. But one area of concern that has concerned me more lately is Lake Champlain. And I know, you know, we blame Vermont and Vermont blames New York and all of that. But is there anything real that's being done with Vermont?

Because boats -- we've worked so hard on invasive species and keeping the boats clean and all that, keeping it out of our lakes. But Lake Champlain has plenty of invasives as well as the algae blooms.

COMMISSIONER SEGGOS: Well, I would blame Vermont.

SENATOR LITTLE: I would too, but --

COMMISSIONER SEGGOS: My former chief of staff is now over there running things, so --

SENATOR LITTLE: Yeah, I see a lot of that.

COMMISSIONER SEGGOS: But listen, we're talking on a regular basis with Vermont about the problem of Lake Champlain. I mean, in all truth, the amount of nutrients coming into that lake is far more from the Vermont side than from the New York side. They just have a different -- they have a different history of managing the watershed over there.

And we work jointly on the issue of invasives. I mean, too many invasive species have gotten into that water body. There's some pockets on the lake where you have harmful algal blooms, also where we on our side have been spending a considerable amount of money. And it's a jewel of a lake; you want to see that there's a long-term future.

From what I understand from the Vermont side, they are taking it seriously. They had a referendum, unfortunately not passed in a recent election. But, you know, we stand ready on our side to provide the funds we need to protect that watershed. It is quite a place.

SENATOR LITTLE: Well, we have people on our side, along the shoreline, many beautiful homes, paying high taxes and all, that have put in swimming pools because they can't even swim in the lake, yet they're part of the lake. They can go in a boat and find someplace. But other than that, they have no use for it.

Is there any idea of having a working group formed from New York and Vermont to really sit down and make some progress here?

COMMISSIONER SEGGOS: We actually, thankfully, do have a working group, and we have regular communication with our partners in Vermont. Also with EPA Region 2, going back many years -- the region's got a role to play in this as well as Region 1.

So yes, there is a forum for us to work these issues out. Ultimately it comes down to money. And the Vermont side has indicated a willingness to do that. They've got to find the resources to do it, though.

SENATOR LITTLE: Thank you. It's something that really needs to be done. But thanks again for all your work.

COMMISSIONER SEGGOS: Thank you, Senator. And I'm going to miss you. Congratulations on a great career.

SENATOR LITTLE: Well, thank you. I'm going to miss this too, but it's time. So thank you.

CHAIRWOMAN KRUEGER: Maybe she'll do what you do. She said it was her last budget hearing, but who knows. Who knows in Albany.

(Laughter.)

COMMISSIONER SEGGOS: Come to DEC.

UNIDENTIFIED MEMBER: Don't tell Stec, though.

(Laughter.)

CHAIRWOMAN KRUEGER: Okay, sorry.

Assembly?

CHAIRWOMAN WEINSTEIN: Thank you.

Assemblyman Epstein.

ASSEMBLYMAN EPSTEIN: Thank you for being here. I just have a couple of quick questions. Sorry about my voice, it's the time of year, I guess, for all of us.

I notice that we gave $2.4 million in this past budget for composting, to expand composting statewide. And really most counties across the state have done an inadequate job doing that. I'm wondering, why don't we reprioritize that, make it a higher priority to get composting done statewide, because so much of our compostables go into landfills and it's really adding to greenhouse gases.

COMMISSIONER SEGGOS: Couldn't agree more. And the Legislature did a great job last year passing that organics legislation, which we'll be rolling out over the next couple of years. And you see downstate communities doing a pretty good job of it, New York City and Long Island opening up markets. There's good talk upstate, places

like Rochester, where you have Wegmans on the front end on organics legislation.

So agree with you, it's an important aspect of our work and will be over the next couple of years. And we'll ultimately have one of the most effective programs in the nation.

ASSEMBLYMAN EPSTEIN: Well, we've heard from municipalities saying they don't have enough support from the state to roll them out.

You mentioned Long Island, and we heard from counties on Long Island saying they just can't do it, they don't have the resources, they're already strapped for cash. I know where my mother lives in Nassau County there's no ability for her to compost anywhere.

COMMISSIONER SEGGOS: Well, I would say that they should reach out to us for help. You know, Composting is a big opportunity, it's a huge waste stream. We've got a significant amount of money going to municipal recycling grants, waste reduction

grants. You know, we have the organics legislation coming up, we have reform of our solid waste law, which is known as Part 360, which we're constantly adapting to make composting and other waste streams done more effectively here in the state.

But the EPF provides good resources. There may be other resources that the municipalities could tap into. And I think just if you are hearing of any -- and to all of you, if you're hearing of any municipalities that need assistance, please have them reach out to me and my staff and we'll help them through it.

ASSEMBLYMAN EPSTEIN: Great.

I want to turn your attention to electric vehicles. We heard earlier about that. And so how many electric vehicles does the state have on its -- in its vehicle -- like how many -- what percentage of vehicles do you have that are electric?

COMMISSIONER SEGGOS: You mean within the state fleet?

ASSEMBLYMAN EPSTEIN: The state fleet.

COMMISSIONER SEGGOS: I don't have that number, but I can get that for you.

ASSEMBLYMAN EPSTEIN: Will you get the number and the percentage of overall vehicles, and the plan to move away from -- move towards electric vehicles.

The other question is about charging stations and making them publicly available. So we -- like we have here in the LOB, we have charging stations for electric vehicles. But if you drive around Albany, there's no place to charge your car. If you go to New York City, there are no publicly available charging stations.

So we want to move people to using electric vehicles, but they can't charge their car in any publicly available -- I'm wondering what the state's going to do to encourage people to use electric vehicles when they can't just charge their car publicly.

COMMISSIONER SEGGOS: Sure. And I'll defer largely to my energy counterparts to answer that question, because I know they

have programs underway right now, which is -- you know, the Governor had talked about in brief during his address, which is to ensure that we've got charging stations in every county, we've got enough charging stations out there.

ASSEMBLYMAN EPSTEIN: But publicly available charging stations --

COMMISSIONER SEGGOS: Publicly available, that's right.

ASSEMBLYMAN EPSTEIN: -- Is different than charging stations.

COMMISSIONER SEGGOS: That's right, yup. And I know -- listen, on the Thruway, at least, that's a big buildout. NYPA's been helping the Thruway Authority with that and making sure that there are enough fast-charging stations there.

So it's something we've certainly recognized is a crucial factor. I don't want to call it a bottleneck because it isn't a bottleneck yet. But we know we have to build out the infrastructure to be able to invite the number of EVs we want to sell in this

state.

ASSEMBLYMAN EPSTEIN: Yeah, thank you.

I want to turn you quickly to the bond act. And just -- we've heard a lot from -- I'm from the city, we've heard from the city that while the $3 billion is a good start, it really doesn't let the municipalities, like New York City, deal with the resiliency they believe their priorities are. I'm wondering how you'll work with municipalities like New York City. You know, we lived through Sandy and there are specific decisions they're making about what they need to do. Why not let the cities drive the resiliency that has to be done in those locations?

COMMISSIONER SEGGOS: Absolutely. I think, again, this is going to be a bottoms-up approach. We'll be working with the entire state, all communities, all stakeholder groups, to come up with a plan to increase resiliency, to reduce flood damage, to improve habitat.

New York City is a perfect example where you have a huge population and a

shoreline that is not built for sea level rise or extreme weather. So that would be one of our focal points for sure.

ASSEMBLYMAN EPSTEIN: Great, I appreciate that.

And lastly -- I know I'm running out of time -- just the cuts for capital for animal shelters. I mean, clearly, there's a need for it. We've been using the money every year. The need for expanded locations for animals. I'm a little concerned about the capital cut there.

COMMISSIONER SEGGOS: Okay. That -- I don't believe that's within DEC's budget at all. But we'll take the question and make sure that you get an answer on it. Okay, thanks.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Senator Brad Hoylman.

SENATOR HOYLMAN: Thank you. Thank you, Madam Chair. I believe this is on.

Nice to see you, Commissioner. Thank you.

COMMISSIONER SEGGOS: Senator.

SENATOR HOYLMAN: Is it on?

CHAIRWOMAN KRUEGER: Some of them work better than others.

Oh, we've been joined by Senator Borrello. Welcome to your first hearing.

Brad, did you get one that you think works?

SENATOR HOYLMAN: Yes, I think I got one that works. I can hear an echo. And just think, Senator Krueger, you only have two more weeks of these hearings.

I wanted to ask you, Commissioner, about the Diesel Emission Reduction Act. It's a question I've asked a number of years. You know, we as Legislature passed it 13 years ago, but just last year we finally stopped delaying the implementation of it, which will mean that all state vehicles and vehicles operating under contract with state agencies will now have to be compliant with those guidelines.

Could you tell us what the current compliance rate is for these vehicles and

what your forecast is?

COMMISSIONER SEGGOS: Sure. Good news. We are over 98 percent, 99 percent right now for the state fleet. The number is a bit less than that on the contractor side, but the number's been going up considerably. I mean, it really has been over the last three years, but more so over the last year. I can get you the exact number on the contractor fleets, but there's been a big spike in the last year.

SENATOR HOYLMAN: That's really good to hear. I'm glad we finally got that implemented.

I wanted to also ask you about the cleanup of the Hudson River. And obviously the state has a lawsuit against the EPA regarding EPA's responsibility to finish cleaning up the PCB contamination.

Are there other measures the state could be taking to require remediation in the meantime as that lawsuit winds its way through the courts?

COMMISSIONER SEGGOS: Good question.

So GE is on the hook really for this pollution. We needed the EPA, frankly years ago, to keep GE in the water. And unfortunately they were allowed to go, and then you had a change of administrations, which frankly I had held out some hope for in the beginning because of some of the public pronouncements about their commitment to holding GE accountable. Since then it's gone in the wrong direction, and we were forced to go to court to challenge the agency on their decision-making.

I want to keep the burden on GE. They've got the deep pockets. What EPA has done is unforgivable. They're projecting, you know, 70-plus years before people can eat fish safely out of the river.

SENATOR HOYLMAN: Seventy.

COMMISSIONER SEGGOS: Seventy-plus years.

And to the EPA, they believe that that's acceptable under federal law. We totally disagree, that they have the power to compel the company to get back in the water

if necessary. We believe it's necessary to address the remaining PCBs that are in the water in the Upper Hudson and to begin studying the Lower Hudson, so we know how far the contamination actually went.

Did it go down as far as New York City? Well, possibly. We know that there are hot spots in the Upper Hudson and in this area of the Hudson River.

But while we have the EPA on notice, I want to keep GE on the hook for that. And there may be things we can turn to beyond that. But our obligation is to make the polluter pay in this instance.

SENATOR HOYLMAN: Is there testing done of the Lower Hudson for PCB contamination?

COMMISSIONER SEGGOS: Some testing was done over the years, some inconsistent testing, that we were able to get it to -- well, DEC did and others did, incidental to other cleanups. We had heard some positive indications of some willingness to look at the lower river, but we haven't seen any

results yet, certainly not out of the EPA.

SENATOR HOYLMAN: And finally, in my last seconds, I think the budget proposes to move $5 million out of EPF and to supplant that with off-budget RGGI funds. Is that just a case of robbing Peter to pay Paul? It doesn't seem like there's an overall increase in environmental budget funds.

COMMISSIONER SEGGOS: Yeah, so there's actually a deposit from RGGI into the EPF of $5 million for climate purposes within RGGI. And as you know, there are EPF programs, about $20 million worth of EPF programs that fund climate work. And we would seek to have RGGI help to pay for that work.

SENATOR HOYLMAN: Thank you.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman Carroll.

ASSEMBLYMAN CARROLL: Thank you, Madam Chair.

Good afternoon, Commissioner Seggos.

COMMISSIONER SEGGOS: Afternoon.

ASSEMBLYMAN CARROLL: My first set of questions revolve around the Williams Pipeline. I was very happy to see that the DEC rejected the permit for the Williams Pipeline last May. As you know, they have reapplied.

And my question is, the DEC rejected the 401 quality permit last year. The fact that the company has reapplied, can you tell us if there's any reason to think the DEC won't once again permanently deny this permit?

COMMISSIONER SEGGOS: Well, I won't get ahead of the final determination, which is due in May.

I will tell you, as I mentioned earlier, that with any pipeline application that comes across, given their nature, how disruptive they can be to the natural environment -- again, noting that our water quality certificate is really our primary or sole jurisdiction over that review. We take those very seriously. And in this day and

age when you see damage to water quality impacting lives on a regular basis, we have to provide the strictest possible scrutiny of those applications.

So twice denied, twice reapplied. We understand our obligations, and the clock is ticking on it.

ASSEMBLYMAN CARROLL: Understanding that you don't want to get ahead of the application, but to your knowledge has anything changed about the project?

COMMISSIONER SEGGOS: There may -- I'd have to check with my staff as to whether or not any modifications have been made. The reapplication -- I haven't seen the reapplication materials, but that's something that's now with us. And we'll be, obviously within the time period allotted, making sure the best experts at the agency have given it their hardest look.

ASSEMBLYMAN CARROLL: Thank you.

Switching gears, Senator Metzger had asked about this previously. Looking at the aggressive goals of the CLCPA, do you

agree -- in just your opinion -- that the state should stop permitting fossil fuel projects to meet those goals?

COMMISSIONER SEGGOS: Well, listen, I'm in a unique position. Right? I'm the state's regulator when it comes to the environment. I can't supplant my personal opinion for my obligation to process permits. I mean, that's the bottom line.

Do I believe that the state has to get off of fossil fuel? Absolutely. I firmly believe that we have an existential crisis on our hands. But I can't say that -- you know, that we won't process permits.

ASSEMBLYMAN CARROLL: So if 2040 is the goal that's stated in the CLCPA, what do you think would be a reasonable goal for the DEC to stop accepting permits?

COMMISSIONER SEGGOS: Well, I think this is going to come to the Climate Action Council. And the scope of work that the Climate Action Council develops will guide the state over the next 20 or 30 years. That is going to send market signals to developers

as to whether or not it makes sense to make those kinds of investments here in New York State.

ASSEMBLYMAN CARROLL: But don't you think a bright line would send the best market signal?

COMMISSIONER SEGGOS: Well, I think the brightest line would come out of the most thorough process, and that's what the Legislature gave us through the Climate Leadership Act.

ASSEMBLYMAN CARROLL: Well, why don't we flip it. Instead of approving permits, what about the decommissioning of current fossil fuel plants? When -- do you think there's a year that we need to decommission all of these plants by?

COMMISSIONER SEGGOS: Well, certainly by what the law laid out, 2040.

ASSEMBLYMAN CARROLL: 2040. So all will be decommissioned by 2040.

COMMISSIONER SEGGOS: All will be decommissioned by 2040.

ASSEMBLYMAN CARROLL: Thank you so

much, Commissioner.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: All right?

CHAIRWOMAN WEINSTEIN: Yes. Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator Robert Jackson.

SENATOR JACKSON: Thank you.

Good morning, everyone.

COMMISSIONER SEGGOS: Morning, Senator.

SENATOR JACKSON: I mean good afternoon.

So, Commissioner, I was listening to your response to Brad regarding GE. And my question is, is it necessary for DEC or another agency to file a lawsuit against the federal government? Because based on the readings here that I have is that the information that the feds are having is not true. There's still an environmental situation there, so it's necessary to file a lawsuit. Am I right or am I wrong?

COMMISSIONER SEGGOS: You're absolutely right. In fact, we did file that

lawsuit. So we're in court now with the EPA over this very matter.

And yeah, you're absolutely right, the job was never done. They signed off on it and moved along before they had analyzed appropriately the data that's out there showing a continued problem.

SENATOR JACKSON: So where -- you feel that from an agency's point of view that the State of New York must file a lawsuit in order to protect the people of New York State, you feel that is an absolutely necessary part of the process?

COMMISSIONER SEGGOS: Certainly in this instance when we've exhausted all other avenues. Right? We made a -- provided -- right before the change of administrations provided a mountain of data showing a continued problem. And now with the new administration for three years, I've worked hard to have science be the guide, have the data be the guide, and ultimately the EPA disregarded the data, went a different direction, and then forced us to

sue in court.

SENATOR JACKSON: Okay. I expected your response, because that's clearly an appropriate response. And I thank you for doing that, because I'm just questioning some other things in other areas, which is not DEP, but dealing with education and lawsuits involved in that.

But let me just say on that subject. I did not see anything in your presentation talking about education of our youth and the people of New York State in order so all of us will be engaged in the process of cleaning up our environment. Obviously the rally and march that occurred in New York City with Greta and New York, obviously it's extremely important.

Do you plan on having a partnership with the State Education Department and other agencies in order to educate the populace of the necessity to move forward with this as quickly as possible?

COMMISSIONER SEGGOS: Absolutely. I mean, I'm proud to say that we have one of

the biggest Facebook and Twitter and Instagram followings in all of state government.

Obviously that's not the only way to communicate with our youth. We have a great camp program, we're opening up nature centers around the state, getting kids out there on I Love My Park Day with the Parks Department. I mean, these are all the ways in which we will make stewards of the future.

And I think honestly, my view, the bond act -- and the Governor has said this as well -- the bond act is a chance to talk to the people and make sure that, you know, we are engaging everybody in this process of restoring Mother Nature and making people feel like even in their neighborhoods, wherever they are, they have a chance to weigh in and say, yeah, I've got some blighted area, I want it improved.

SENATOR JACKSON: So I was at the signing of the Climate Leadership and Community Protection Act, but there were people outside that were demonstrating. And

I went up to them and talked to them, and they said that the goal as set by the Governor was not aggressive enough or asserted enough, that we needed to reach that goal by 2030.

What's your opinion on that? Quickly, if you don't mind.

COMMISSIONER SEGGOS: Sure. Well, listen, I think the New York Times called it, right, the most ambitious climate law of any developed --

SENATOR JACKSON: In the country.

COMMISSIONER SEGGOS: -- state or nation, for that matter. So I think we collectively, with the Legislature, nailed it last year and now it's on us to put in place this really ambitious program to meet the goals.

I think what you hear is the sentiment, as I mentioned in the beginning, of people being afraid, being fearful of the future, seeing terrible leadership at the federal level and wanting to speak out. I don't begrudge them that. But I think we're

giving them real answers and actual real programs here in New York.

SENATOR JACKSON: And finally, you were here this morning when a demonstration occurred and they handed this out to all of the Senators at least up here, and Assemblymembers.

What did you think of the demonstration that they had here in front of you and in front of us this morning?

COMMISSIONER SEGGOS: Well, as I mentioned, right, when they cleared the room, I don't begrudge their protests. I feel for them. And I feel for where we are as a planet with the damage that's been done to the environment and the trend lines that we're on in terms of climate change.

Again, I would maybe use some different language in a public setting, but I think the sentiment, the voice that they have is a powerful one. And I hope that all folks in New York understand that New York completely agrees, this is an issue that has to be dealt with, is being dealt with, and

you have a Governor that has leaned forward unlike any governor in the U.S., certainly any governor ever in New York.

So I'm optimistic for the future.

SENATOR JACKSON: Thank you.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman Schmitt.

ASSEMBLYMAN SCHMITT: Thank you.

Thank you, Commissioner, for being here today.

COMMISSIONER SEGGOS: Thank you.

ASSEMBLYMAN SCHMITT: I represent New Windsor and the area around Stewart, which has faced PFOS/PFOA contamination. I mean, obviously, you know, there's been a great working relationship with DEC, DOH and a lot of the local communities in combating that within my district and my region.

Is there any further update that you can provide, any further funding mechanisms that we should be expecting? Obviously we

have a lot of communities with water crises, pressures. The Intermunicipal Water Infrastructure Grant program was very helpful to several of my communities. We've gone over some of the concerns already with other questions regarding the process. But if you could just elaborate on some of those things.

COMMISSIONER SEGGOS: Sure, I'd be happy to.

And one of the things I'm really proud of, actually, is the way we responded in New Windsor and Newburgh to that PFAS crisis.

As you know right now, obviously the communities are drinking clean water. There's water coming out of the Catskill Aqueduct when it's operating that the state's paying for -- and, when it's not, out of the redundant ponds and lakes in the area that are PFOS-free.

We put in place a multi-million-dollars, tens of millions of dollars system to provide a long -- well, let's call it an intermediate to long-term treatment option for Lake Washington. And we

know that system is going to work, we've been testing it online. It was really well-designed, unlike anything that I've seen, certainly, in the U.S. And it's -- really right now we're going to have to talk to the communities to put them at ease about drinking the water out of a treated system, which is in my view a perfectly acceptable way to operate.

My view long-term is we've got to prevent this material coming off the air base in the first place. DOD has been incredibly slow to the ball -- not just here, nationwide. They've got a huge problem nationally on PFOS in drinking water. And, you know, they did put in place some measures to prevent ongoing discharges into one of the holding ponds below the base. They've been just slow to the ball.

Their scope of work is limited. You know, they don't -- they're not as aggressive as -- frankly, as we are. And that's surprising, because it's their pollution, it's not ours. But we understand our role.

And in New Windsor installing lines to connect folks in their houses -- or private treatment systems in their own houses has been very effective. And I appreciate your partnership in that area as well.

ASSEMBLYMAN SCHMITT: Absolutely.

Getting to that point, the preservation and conservation of critical land, water recharge areas, et cetera, is of paramount concern to those communities and communities across my district.

Unfortunately, the Governor vetoed PDR legislation for the Town of Chester this past year, which really devastated the community. They're very upset by that. We've also had countywide legislation that's passed the Assembly, it's been held up in the Senate.

Would we be able to get a commitment from you to work with the Legislature and the Governor's office to not veto these items in the future, and whether a stopgap measure between future legislative resolution -- maybe we can open up a little bit more stream of funding given we have the increased

development pressures and these water contamination concerns.

COMMISSIONER SEGGOS: Listen, absolutely -- I would suggest this. Why don't we set up a talk and go through the funds, the sources of funding that are available for watershed protection.

Because that was one of the elements of the Clean Water Infrastructure Act when we passed it, setting aside enough money so that we do source-water protection programs and actual acquisition of land. We spent $36 million I think through the Clean Water Infrastructure Act over the last three years on land preservation, and that's to protect water quality.

So if there's particularly vulnerable watersheds in your district and they're not getting the funding they need, please have them reach out to us -- and that certainly goes for all folks in the room here -- reach out to us and we'll help coach them through the application process.

ASSEMBLYMAN SCHMITT: Great.

And real quick, before time is up, hunting and the outdoor sporting enthusiast activities in the Hudson Valley, a very passionate part of life for many people. New York State has had great R3 success, I believe, especially compared to other states.

You know, one thing I see is access is regularly cited as one of the primary reasons that lapsed hunters no longer participate or do not look to be reactivated. Do you have any ongoing -- we've had some positive news with announcements this year, the last hunting system, with some additional state lands. Are there any additional programs that we should expect announcements on or ways that we can collaborate going forward on the access piece of R3?

COMMISSIONER SEGGOS: Certainly. And the "Restore Mother Nature" Bond Act would be a fantastic funding source for open space and lands -- again, making those single investments that have dual purposes. Setting aside watersheds to protect water may also be fantastic hunting spots.

We do have an access improvement program, both through NY Works and EPF, to improve access to our back country. As somebody who went out eight times this year and got nothing, I'm looking forward to what access might come in the future. But it's a top priority of mine, top priority of the agency's, and certainly the Governor.

ASSEMBLYMAN SCHMITT: Thank you, Commissioner. And look forward to having you down in Orange County next season with me.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate?

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Senator May is next.

I'm just trying to coordinate. When are you scheduled to protest?

(Laughter.)

CHAIRWOMAN KRUEGER: Because you take time away from everyone else, so I don't want you to interrupt Senator May.

UNIDENTIFIED SPEAKER: We're not here to protest. We're here to enforce and

reinforce that we need money in the budget --

CHAIRWOMAN KRUEGER: I appreciate that. That's why people come to testify. Okay? Okay. But the other folks took a couple of minutes, so I was just trying to estimate.

Senator May, do you want to get started?

SENATOR MAY: Yes, thank you, Madam Chair.

And thank you, Commissioner.

I do want to turn back to waste issues, and starting with fracking waste. You talked about that there's not fracking waste coming in to be used in place of road salt. But my information is 635,000 tons of fracking waste have been brought in from Pennsylvania and sent to landfills, especially upstate, where I represent. And Rolling Stone just did an expose about just how toxic fracking waste can be and how radioactive it is. But DEC has so far not chosen to regulate it as hazardous waste.

Is that on your radar? Is that

something that you're planning to do?

COMMISSIONER SEGGOS: It is, absolutely.

And let me make sure I clarify something here. There is no toxic fracking waste coming into New York State from any state. What Pennsylvania had been sending in to New York State to a few landfills was drill cuttings, which is rock and dirt.

And I know those numbers have gone down significantly. As fracking has started to dry up in Pennsylvania, there are fewer wells being drilled. I don't have the most recent numbers.

But again, just to clarify, this is not anything but rock and dirt from when the wells themselves are drilled.

SENATOR MAY: Okay, I have different information, but I'll follow up with you about that later.

COMMISSIONER SEGGOS: Please.

SENATOR MAY: Let me ask also about the waste tire fee. We all pay a couple of dollars every time we buy a new tire; it must

have mounted up to billions of dollars at this point. Where does that money go?

COMMISSIONER SEGGOS: Well, it goes primarily into remediating waste tire piles. And there originally was at least 60 million tires known. And over the years, we've been chipping away at the piles that are out there.

I'm not sure how many tires are left. We estimate something in the range of 2 to 4 million. And that's what that money goes towards, is remediating those really complicated piles, which in some cases are way out in the woods, grown over, and present a public health problem when it comes to, you know, water ponding within the tires.

And there's also -- we also have staff that are on that fund that are implementing the fund itself.

SENATOR MAY: Is there a fund that is transparent that, you know, we can sort of check up on and see where that money has --

COMMISSIONER SEGGOS: Sure, we'd be happy -- I think somebody asked me this last

year, and we presented some data on that. Be happy to share that with you.

SENATOR MAY: Okay, great. Thank you.

Now, upstate we have a lot of flooding issues; we've talked about that a little bit so far. But can you just say where in the budget money is for addressing flooding, say in the Mohawk Valley? Is that -- I don't think it's the Clean Water Infrastructure fund. Are you estimating the bond act would partly go to that.

COMMISSIONER SEGGOS: Sure. We -- following Hurricanes Irene and Lee, we started to conduct these engineering analyses of some priority water bodies in the Mohawk Valley and found -- you know, based on that engineering, we were able to front-load projects. Right? We had ready, on the shelf, engineering that a project -- and Utica, Whitesboro, is a perfect example of that.

Since then, we've done -- we are in the midst of 41 other priority water bodies around the state. We're studying engineering

issues surrounding flooding on those. The "Restore Mother Nature" Bond Act would absolutely be designed to address those persistent flooding problems. And we would look to the Mohawk Valley, which has had problems for years with flooding.

Now, we also -- separately, NYPA, as you know, New York Power Authority, has proposed a reimagining of the canal system. One of the big changes would be the reduction in flooding of the Mohawk Valley.

So between what we're prepared to do through our funding -- EPF, Clean Water Infrastructure Act, Restore Mother Nature -- and what NYPA is going to do, I think you'll see some significant changes within the next few years on the Mohawk.

SENATOR MAY: Great. And the last lightning-round question. So one of the -- a lot of the municipalities want to be able to dredge waterways that run through them and tend to flood. And I hear all kinds of conflicting information about whether that's a good idea.

Does DEC have a position on that?

COMMISSIONER SEGGOS: Well, listen, I think anytime you dredge a stream, it's usually not a good thing because what you do is you take away the natural function of the stream to slow the water down by spreading it out, and you create a flume. And we saw some municipalities doing that right before Irene and Lee, and that actually exacerbated the damage downstream.

So what we've been saying is don't trench streams. You can remove material from streams, like logs. Don't trench a stream. Don't remove the rocks, don't straighten it out, because you're inviting disaster.

And that's in fact what we're trying to do in Whitesboro, which was take a flume stream and restore the flood plain so that you're slowing the flow of water coming through there.

We do plenty of dredging projects in calm water, whether it's lakes -- Lake Ontario, we're -- the Governor mentioned, through the REDI program, we're doing a big

dredging initiative to deepen some of the harbors that had silted in over the years. And that's common-sense economics and environment.

SENATOR MAY: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

COMMISSIONER SEGGOS: Thanks.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman Tague.

ASSEMBLYMAN TAGUE: Good morning, Commissioner. Good afternoon.

First of all, I just want to thank you for your dedicated service, not just to our state but our country.

COMMISSIONER SEGGOS: Thank you.

ASSEMBLYMAN TAGUE: And I want to thank you for being a man of your word. Last year at this hearing I asked you for an in-person meeting, and you came to my office and we had a great discussion.

So I'm going to put you on the spot and ask you if we can do the same thing again in the future.

COMMISSIONER SEGGOS: Absolutely.

ASSEMBLYMAN TAGUE: And I appreciate that.

And I want to thank you for your staff, too, for doing an awesome job working together with my staff. So thank you.

My first question is -- well, actually not a question, but a statement. I want to reiterate the same comments that Senator Seward made with regards to the Schoharie Valley stream-bank project. And I appreciate our discussions that we had last year. As you know, the county is still struggling with that project. And as we move forward, I would say that Schoharie County was probably the hardest hit county during Irene and Lee.

And, you know, it's a very touchy situation in that community, and whatever you folks can do to continue to work with us to help get that problem taken care of.

Secondly, in your remarks earlier you discussed a measure, $33 billion being thrown into the state. I'm just wondering, do we

have a system in place or a process in place that's going to hold this accountable, to make sure that the money that we're spending is going in the right place and that we're being successful?

COMMISSIONER SEGGOS: The short answer is yes, we have to. I mean, those projects, the projects we envision through that incredible down payment -- I mean, offshore wind, 9 billion of the 33 billion dollars, that's a very public process.

And, you know, you're going to see over the course of the next few years an incredible buildout of that. I'll let NYSERDA address some of the specifics with it.

Same things on land-based renewables. You know, $6 million in land-based renewables. Some of those projects being constrained by that existing Article X process, which needs reform. We need to be able to get those projects, solar and wind, through much more quickly.

The Green Bank, as you know, is a

public process as well. And the work that we do through the "Restore Mother Nature" Bond Act will absolutely be transparent. It would involve, frankly, everyone here and all the voters in the state.

ASSEMBLYMAN TAGUE: Okay, thank you very much. I appreciate that.

I also just wanted to touch base with you again in the budget. I did not notice whether we increased our maintenance budget with capital projects that have been done in the past. And we discussed this in our meeting. You know, just in my district alone, Kaaterskill Falls, DEC did a wonderful job up in the park with the trails. But as you know, outdoor projects, maintenance is needed.

So I'm hoping that if extra money has not been put in the budget for that maintenance, then I think that it would -- also, my friends from the Adirondacks would also be happy with making sure that we have enough maintenance money in our budget to take care of these places that are frequented

by other New Yorkers and, by the way, people from other states and other countries.

And that also brings me to there was a lot of discussion by Senator Little and my good friend Assemblyman Stec with regards to the Adirondacks. I just want to put a throw in for the Catskills, where I represent. And the Catskills are a great place, and hopefully we will get some funding in that area too for tourism with regards to nature.

And lastly, Assemblywoman Fahy had brought up the issue with tires, and I just wanted to touch on that. I want to commend you, and I continue to support the department's robust permitting process with use of alternative fuels. Many states across our nation and even other countries have approved alternative fuels, including tires, and it may be a way to get rid of different items that we're still holding onto that we're not quite sure what to do with.

So I want to commend you, I want to thank you for your time this morning. And I too am glad that you're back, and looking

forward to having our meeting again. Thank you.

COMMISSIONER SEGGOS: Great. I look forward to the meeting as well.

Certainly the Catskills, a big priority. We're putting money into the visitor center right there on Route 28, or proposing to through the budget. Our stewardship numbers are up as well. Within the EPF, we have NY Works funds going into the Catskills, so that's a significant portion of what we do.

And on to maintenance as well, it's also an EPF stewardship and NY Works function, and we've gotten good support from the Governor and the Division of Budget now for the last five years on that front.

ASSEMBLYMAN TAGUE: Thank you.

COMMISSIONER SEGGOS: Thank you.

CHAIRWOMAN WEINSTEIN: Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator Tom O'Mara.

SENATOR O'MARA: Thank you, Senator Krueger.

Good afternoon, Commissioner.

COMMISSIONER SEGGOS: Senator.

SENATOR O'MARA: Thank you for your patience and your diligence in testifying here today. Thank you for coming to meet with me last week and discussing some issues in general.

I've got a few questions for you with regards to the polystyrene ban. And basically, have you looked at the manufacturers that are in New York State and the roughly 2,000 manufacturing jobs in New York State, between food service containers and Styrofoam packing peanuts? And you've mentioned in your testimony about repurposing these facilities. Where are you in that process?

COMMISSIONER SEGGOS: Well, very early on. The proposed ban has just been set forth by the Governor.

And again, it's not so much we would repurpose the facilities but ultimately help them open up new product lines that would be acceptable here in New York State. Again,

they would still be able to sell polystyrene foam out of state, they're still capable of producing polystyrene foam for non-single-use purposes, such as in building materials and whatnot.

But if there are alternatives -- and we know there are, compostable materials that can be used for single use that don't need to be thrown into landfills or cause health problems -- we will help those businesses over the next two years. I mean, if this goes into effect -- if this gets through the budget and then becomes law, it doesn't go into effect for two years. And that two-year period will be a significant amount of time for us to help to transition the industry.

SENATOR O'MARA: There's additional language that I think Senator Kaminsky mentioned earlier about giving the department authority to review and limit or ban other alternative products to the polystyrene food containers or peanuts.

Why would one of these manufacturers want to get into another product line that

you may ban down the road on them? And this language gives you authority to promulgate these regulations without coming back to the Legislature.

COMMISSIONER SEGGOS: Well, we would never do that. Let me tell you why. Because banning polystyrene is for a variety of very important reasons. First of all, it contains benzene. Polystyrene itself, styrene, is a health hazard, a known carcinogen.

Secondly, they're single-use. They clog the waste stream. New York City itself, 29,000 tons I believe last year of polystyrene, single-use, disposed of in landfills. Incredibly expensive.

Those are the kinds of public health and environmental products that we need to get out of our waste stream. That would be the -- where we would turn within that authority in the future, to the extent that we see other types of products that are presenting with similar kinds of problems.

And again, it would be done through regulation, a very public process, public

hearing, public comment. And, you know, we know that by running these types of initiatives through a very robust regulatory process, it's an effective way to engage the public on it.

SENATOR O'MARA: Who in the industry, of the companies that are here in New York, has the department consulted with in this process?

COMMISSIONER SEGGOS: I couldn't tell you firsthand. I know my staff has been doing outreach. And we will be doing significantly more outreach over the coming weeks and months as we start to put the goalposts around this proposal.

SENATOR O'MARA: I want to, you know, applaud the Governor here on his effort on product stewardship and what you mentioned, product stewardship on mattresses and carpeting, which is a great step and I think builds upon what we've done with e-waste and last year with paint stewardship.

Why wouldn't a stewardship program for polystyrene be pursued? My understanding is

the industry would have interest in setting something up similar to a paint stewardship program to recycle and reuse this, rather than put it into the waste stream.

COMMISSIONER SEGGOS: Right. Well, my understanding is that polystyrene is very difficult to recycle, unlike carpets or mattresses or any of the other products like e-waste that we worked on together a few years ago, which are more easily recyclable and have greater value.

It's much more difficult to put that kind of value on things like packaging peanuts and other types of polystyrene, which just inherently are usually dirtier and harder to handle when they get back, much move contaminated.

SENATOR O'MARA: I'm out of time, but I would just encourage the department's caution in moving forward when we're dealing with 2,000 manufacturing jobs in the state that are extremely important to our economy in making these decisions of, you know, totally banning a certain product. But

thank you.

COMMISSIONER SEGGOS: Thank you, Senator.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Thank you.

We've been joined by Assemblyman O'Donnell, chair of our Tourism Committee.

And for a question, we go to Assemblyman Colton.

ASSEMBLYMAN COLTON: Thank you, Commissioner, for your perseverance in answering questions throughout the morning and now the early afternoon.

COMMISSIONER SEGGOS: Thank you, Assemblyman.

ASSEMBLYMAN COLTON: I was pleased to note how the Governor clearly did state the graveness of the climate change problem and did talk about it right up-front in his budget. But there's a lot of frustrations, especially by those who have been working on the issue, as we saw at the beginning of this hearing, because it's such an enormous

challenge and we really are so -- at the early stages of dealing with it. It's a worldwide challenge, really.

I think one of the things that, you know, is important is that we come up with as much specifics as possible. Now, last year we passed the CLCPA, which I think gives us a good foundation.

(Loud applause from audience.)

ASSEMBLYMAN COLTON: I think that gives us a good foundation for dealing with it. But it's important that we begin to get that up and running as quickly as possible. I understand it has to be done properly, but we do need to get it up and running.

(Loud applause from audience.)

CHAIRWOMAN KRUEGER: We're on a time limit, so we're asking people not to applaud. You know (gesturing). Thank you.

(Laughter.)

ASSEMBLYMAN COLTON: Now, there's a couple of specific things that I just would like to question on. One of them is the whole issue of charging stations. In order

to be able to really get to 100 percent renewable energy, cars and transportation are going to be a critical part of that.

Has there been some -- and, you know, there has been some -- the Thruway proposal I think is very good, but I think we have to go much beyond that. Has there been any thought of ways to develop a private/public partnership in terms of encouraging charging stations and fast-charging stations to be implemented in as many parking lots as possible and to get everyone's cooperation? And what incentives might be needed in order to accomplish that?

COMMISSIONER SEGGOS: Yes. I mean, absolutely. I'll have NYSERDA and DPS get into that more after me, because it's more in their wheelhouse than it is in mine.

But the Governor has noted, you know, the extreme increase in EVs here in New York State. We're in the top three states. But we've got to do more to build out the infrastructure, because I think we see a future where everyone is driving an EV. I

expect that to be part of what the Climate Action Council comes up with. If we don't start making these investments now in the infrastructure, obviously we'll be behind the eightball.

But this is a great growth opportunity for New York State. The NYPA-Thruway Authority investment is a good one. We've started to do it more. As you note, here in this building, in this parking lot, there are now charging stations. My office parking lot has a charging station as well. Those are great for state facilities, but we need to make them available to the general public. And I encourage you to ask my counterparts from NYSERDA and NYPA and DPS some of the specifics on what they're up to on that.

ASSEMBLYMAN COLTON: Yeah. Because I think one of the things is we have to get out in front of the ball on this issue, and on many of the environmental issues. So thank you for that answer.

Also, in terms of the Williams Pipeline, I also was pleased with the way DEC

has handled this issue and the way the Governor has handled it in terms of National Grid. Many of my constituents were very badly impacted by the denial of service to new accounts.

Is there any legislation that may be needed or any way that we can change the process so that one of the things that should be considered in permitting or in approving permits is the issue of the state's target of renewable energy by -- you know, I was one of the ones who think we should do it by 2030 -- but 2045 -- 2040, 2045. Is there any changes that we might make to the authority of the agency to be able to consider the state's energy policy in terms of converting to renewable energy?

COMMISSIONER SEGGOS: Well, listen, I think what you all did last year with the Governor to enact the world-known climate law is going to be a fantastic opportunity for us to chart out what we need to do legislatively, regulatorily and administratively to meet those goals.

So I think you've already done that. What we need to do is get the meetings going this year as quickly as possible and begin pumping out ideas to both the Executive, the agencies and the Legislature as to how we can meet these goals.

ASSEMBLYMAN COLTON: And I appreciate that. My time is up. But as I said, this is very urgent and I appreciate your answers and the Governor's comments on this.

COMMISSIONER SEGGOS: Thank you, sir.

CHAIRWOMAN KRUEGER: Thank you. And do me a favor, just turn around so everyone will see that you saw.

(Laughter.)

COMMISSIONER SEGGOS: (Turning.)

(Audience waving signs.)

COMMISSIONER SEGGOS: Hi, everybody. Thanks for coming.

CHAIRWOMAN KRUEGER: Thank you.

And, I'm sorry, I'm just going to bat cleanup a little bit for the Senate. Is this on? I think it is. Yes, thank you. Thank you, everyone, for their patience.

I know there were some questions by Senator May about the fracking and that the Governor wants to make the moratorium permanent, which we're very excited about. But why did he not include gel fracking as well as liquid fracking in the language? Gel propane fracking. Thank you, Senator Metzger.

COMMISSIONER SEGGOS: Yeah, good question. I mean, we're proposing to ban fracking permanently. Whether or not that should extend to propane gel, I can't comment at this time. But there are I don't believe any pending applications of propane gel fracking in front of the agency. There was at one point, I think it -- I'd have to check with my team to see whether or not it exists any longer.

But we would have concerns with putting propane gel in the ground for the purposes of fracking.

CHAIRWOMAN KRUEGER: So I would suggest you take a look at the bill Senator Metzger and I have introduced, and

the language in it. Because we think that is the language that should be in Article VII language. It would -- it just seems common sense, why would we want to inject petroleum products into the ground to bring natural gas out? The whole thing is sort of a double whammy for us, so to speak.

COMMISSIONER SEGGOS: Be happy to take a look at it.

CHAIRWOMAN KRUEGER: Thank you.

COMMISSIONER SEGGOS: Thanks.

CHAIRWOMAN KRUEGER: So sometime in the next -- let's see, how much time do you have. Under the CLCPA, DEC has until the end of the year to conduct a rulemaking to establish a social cost of carbon for the state. When do you expect the regulatory process to commence, and what models will DEC be using to look at to inform the process?

COMMISSIONER SEGGOS: Well, the regulatory process is underway at DEC right now. It has been for some time. So we hit the ground running right when the law passed so we can turn that around to the public

through the regulatory rulemaking process.

And I expect at some point, probably in the spring, summer, that will be out in draft form and folks will have a chance to see how we've come up with the various numbers we do.

CHAIRWOMAN KRUEGER: How much money do you think the state needs to invest on an annual basis to make sure that we're meeting our Climate Action Plan targets over the next several years?

COMMISSIONER SEGGOS: It's a good question. I mean, I think the number that's been put out there, again, is a number that didn't exist at all -- certainly not five years ago, not a year ago. We're talking about making those investments in a strategic way, building into it the bond act monies, integrating all the spending that's going on at NYPA, NYSERDA, DPS, all the private investments.

I don't think we know the number yet, what is needed on an annual basis. But I think what we have in front of us now is a

significant down payment towards what we know we will need. We need the Climate Action Council to do its work, present us with the scoping plan, present us with the vision for the future for the economy-wide investments. And I think that will inform really what's needed on an annual basis.

We want to get ahead of that by tapping into the offshore wind movement, getting those turbines built. Same thing upstate on solar and on on-shore wind. So this is a -- it's an exciting time to be part of an administration that is leading so boldly on this.

CHAIRWOMAN WEINSTEIN: Thank you. And then last, so I'm from New York City, so we're particularly concerned downstate about the fact that there is a study going on, a New York/New Jersey harbor and tributary study. The state has to pick up 25 percent of the $20 million cost for the Army Corps of Engineers. There are any number of people who have been concerned that various proposals being made by that group might

flood one section of the region to save another section.

So how is DEC engaging in this process, considering I think most of us think none of New York ought to flood?

COMMISSIONER SEGGOS: I would agree.

CHAIRWOMAN KRUEGER: Particularly if you're spending that kind of money to try to come up with a plan to avoid that.

COMMISSIONER SEGGOS: I would agree. And listen, that's an Army Corps process. We are the local sponsor for the study itself. I don't think anyone would disagree that we need to study alternatives to the current system, which right now leaves all of lower New York really exposed -- Long Island, New York City -- to storm surges. We see in Sandy our sea level rise.

So we clearly need to think big. You know, the one that got the most attention last week at the presidential level with, you know, the proposal for a huge storm wall that costs $119 billion -- listen, that's one of five alternatives, maybe there's more than

five alternatives out there. We've got to throw everything against the wall and see what makes sense.

And ultimately, you're absolutely right, no section of New York City, no section of New York should be allowed to flood. But we have to take, you know, the most aggressive steps to understand what our options are. And I'm not sure we've weighed in specifically on one alternative or another.

I happen to think that $119 billion for a wall doesn't make a lot of sense if there are better alternatives. But I need to see all those alternatives and then, you know, we'd be coming back, you know, to the Army Corps with our preferred alternative.

CHAIRWOMAN KRUEGER: And so is DEC participating?

COMMISSIONER SEGGOS: Oh, absolutely.

CHAIRWOMAN KRUEGER: Because I don't want New Jersey to win because they went to the meetings.

COMMISSIONER SEGGOS: New York always

beats New Jersey, come on.

(Laughter.)

COMMISSIONER SEGGOS: We are absolutely at the table. I mean, we're at the table with our New Jersey counterparts. They flooded during Sandy as well. They lost lives during Sandy as well. We have a shared -- a harbor, shared waterfront. We need to work jointly with them, with the Army Corps, on solutions.

So whatever system is put in place, whatever system we agree on is going to be something that protects lives in both states.

CHAIRWOMAN KRUEGER: Thank you very much.

COMMISSIONER SEGGOS: Thank you, Senator.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman Otis.

ASSEMBLYMAN OTIS: Hi, Commissioner, how are you doing?

COMMISSIONER SEGGOS: Good. Good to see you.

ASSEMBLYMAN OTIS: Nice to see you.

There were a lot of comments today about the water infrastructure spending, which is tremendous. And people -- you didn't have an opportunity to mention, but that 2019 was a watershed year because it was the first year that the municipal water grants amount exceeded the EPF, 300 million. And so that is testimony to how the program has grown.

And so the two things I'd like to share today and ask you a question about is, number one, what we're hearing is the need is going to continue. And the need is out there, municipalities are getting their projects together. And so the fact that there's funding going forward is great.

It's also a model -- when I look at the language in the bond act proposal and the different kinds of things we're trying to protect, there is a thread and maybe an opportunity to grow a different kind of water funding, and that is stormwater funding. Because a lot of the things we're trying to

protect in the bond act are impacted by the quantity of stormwater and the quality of stormwater.

So your thoughts about using the bond act as an opportunity to grow some of our existing programs or create new programs to deal with the stormwater needs of municipalities. One program that is a small program that maybe we could grow is the Green Innovation Grant Program, which has been at 15 million for a few years. Great innovative projects come out of that. And maybe that is one vehicle by which we can -- like we grew the wastewater and drinking water programs in the last few years, maybe we can grow some assistance to municipalities for stormwater through that or other things that we come up with.

So your thoughts about that and feeding the bond act money in that direction.

COMMISSIONER SEGGOS: Sure. Thank you for raising that. Absolutely. I think it's central to the bond act concept, is the idea of better controlling water. Right? That's

the problem that we sustain with climate change and severe storms, is flooding, primarily.

So how do we slow the flow of water off the landscape, how do we contain more of it? And it's not typically through creating lots of huge concrete structures, it's by creating more green space and being smarter about how we channel stormwater.

So I think absolutely, all of these things that we're talking about with habitat, reconnecting streams, dams, even shellfish, restoring some of the natural functions of the planet here in New York, would involve stormwater controls.

And we would look to where the problems are locally across the state -- Westchester or anywhere else where you have lots of runoff problems -- and see what we can do to put those public monies towards that public purpose of -- and then you benefit from all the habitat improvements as well, so it's really -- it's an all-in approach.

ASSEMBLYMAN OTIS: Thank you for the good work of DEC and EFC on these matters. And I also thank you that in the Governor's budget is a proposal to give you more flexibility for lending to higher-needs communities for water projects. I have a bill on that, so I'm happy that I have one less bill I have to pass because it's in the budget. So thank you.

COMMISSIONER SEGGOS: Great. Thank you.

CHAIRWOMAN WEINSTEIN: Senate. Senator Ortt.

CHAIRWOMAN KRUEGER: Thank you. Senator Ortt.

SENATOR ORTT: Thank you, Commissioner.

I just have two quick questions. One is a point of clarification on the ban on Styrofoam. Does that extend to incoming shipments, whether they be from outside of New York, wherever it was, or does that only extend to New York-based companies and things originating from the state?

COMMISSIONER SEGGOS: So you get a package from Amazon or something that comes from another state that contains polystyrene, that would not be banned. It would be banned only if it's being generated here in the state. Right?

So a product being sent for shipment from, you know, Buffalo-Niagara to Albany couldn't put polystyrene into it.

SENATOR ORTT: And if somebody from Buffalo is shipping something to Ohio, it also would apply, though; correct?

COMMISSIONER SEGGOS: That would apply, yes.

SENATOR ORTT: Okay. And the only reason I raise it, of course, is because invariably it adds a potential burden, cost, onto New York State companies that they do not, you know, have to share with competitors. So that's just a concern of mine.

And then on Lake Ontario, I know you're very well aware of the flooding and such that has occurred the last several

years. Forgetting, you know, the Plan 2014 for a second and the IJC and sort of, you know, the debate over the impact of rainfall versus Plan 2014, what is the DEC doing, I guess in the short term, to assist homeowners who live along Lake Ontario when it comes to permits, when it comes to work, when it comes to, you know, a shoreline stabilization, things of that nature?

Obviously there's been a lot of focus on the money that the state has put in there, emergency management personnel. You know, ESD has been involved. I mean, a lot of other agencies, clearly. But, you know, obviously from a day-to-day, the DEC has a lot of impact and oversight over that shoreline.

What is your department or your agency doing in the short term to assist homeowners as we go forward, if this is the new normal? If this is the new normal, what can we do together with our homeowners to make it easier for them to protect their properties?

COMMISSIONER SEGGOS: Right. And

before I go there, I gave you the wrong information. If the product is going out of state, polystyrene, we can't regulate state to state, interstate commerce issues. So just to be clear.

SENATOR ORTT: Okay.

COMMISSIONER SEGGOS: So if it was going into another state.

SENATOR ORTT: So it would be interstate.

COMMISSIONER SEGGOS: Interstate, right. Correct.

SENATOR ORTT: Okay, got it. Okay, thank you.

COMMISSIONER SEGGOS: Okay. So yeah, flooding on Lake Ontario, the St. Lawrence River, has been something that we have -- as you know, we've spent time with you on this. A significant issue the last two out of three years. High water right now, I'm looking at potential high water again in the coming months. So something that's honestly on the front of my mind as we start to pivot towards, in these calm winter months, towards

what we have to do in the summer.

On the permitting side, I put in place a general permit last year, an expedited permitting review to get all the shoreline work done quickly. Not just the big projects that we are looking at through the REDI Commission, which I know you are well aware of and a part of, but all of the little projects along the way. How do we, you know, incentivize fast reviews and get things done on a more comprehensive basis.

And honestly, over the last two flood cycles we've got thousands of permits through DEC in, you know, as little as 24 to 48 hours for rebuilding in kind.

What the Governor talked about last year, last summer in particular, and then into the fall when we made the REDI announcements -- was preparing for the future. Because I think what we're seeing now is an enormous amount of water in the whole system, not just Lake Ontario. Lake Erie is higher than ever. And then if you keep going up the Great Lakes, there's

more and more water.

So we're expecting that this is going to be maybe the new normal. We've got to rebuild the entire shoreline over time. The projects that the Governor announced in the spring set us towards some significant success -- $300 million on I think 113 projects. Municipal projects getting, you know, critical infrastructure out of the floods' ways and then getting, you know, other public infrastructure protected and rebuilt.

Homeowners, you know, right now my focus is on ensuring with either Homeland Security or other agencies that we have the materials in place right now, or will before the next floodwaters rise, to protect those houses again. And people are going to need to make assessments as to, you know, what kinds of improvements they need on their houses. I know there are other agencies that can answer the housing questions.

But we're leaning forward on this, Senator. We don't want permitting to be a

barrier to someone improving one's house. And honestly it's all I think about come May when we're going to be having --

SENATOR ORTT: Me too.

COMMISSIONER SEGGOS: I know, you think that too. And a lot of us are, you know, fully engaged in this really until the floods subside.

SENATOR ORTT: Thank you very much for your answers, Commissioner.

COMMISSIONER SEGGOS: Thank you so much.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman O'Donnell.

ASSEMBLYMAN O'DONNELL: Good afternoon.

As we've learned in my lifetime, it's not nice to fool Mother Nature. And I'm very curious about the "Restore Mother Nature" Bond Act. It's rather grandly named. And included in that is the creation of two new parks along Hudson River.

So how did you come up with the idea on the locations for those, and what is the time frame that you imagine?

COMMISSIONER SEGGOS: Great question. If I could have you ask that to my friend Erik Kulleseid, commissioner of Parks, who will be helping to build those projects out. He has served as the ideas behind that. I know it came out of the communities as well.

ASSEMBLYMAN O'DONNELL: So are you just delivering the money to them and they're going to be the people who put the park together?

COMMISSIONER SEGGOS: Well, the money would come obviously from the voters through the budget to all state agencies for projects or to municipalities, however -- you know, however it ends up getting finalized.

But in that case the acquisition of land, the preparation of land to become a state park, that would be, if it was -- if it gets through, would be at the direction of the Parks Department.

ASSEMBLYMAN O'DONNELL: And what is

the price tag for that?

COMMISSIONER SEGGOS: I'm not sure. I know that certainly Erik would have a better sense of it.

ASSEMBLYMAN O'DONNELL: Okay. Would the Parks Department have access to other resources from the "Restore Mother Nature" Bond Act other than the creation of these two parks?

COMMISSIONER SEGGOS: Absolutely. And in fact both DEC and Parks, as well as many other agencies, we all have our existing funding sources, some of which have been well-developed over the years. This new one would be additive to our existing funding sources and frankly would allow, to the extent that the funds are appropriated for any purposes at our agencies, would allow us to do far more than ever to ensure that our open spaces are protected and the habitats restored and there's access opportunities for communities that have been cut off for so many years from nature.

ASSEMBLYMAN O'DONNELL: So there's a

lot of focus on moving away, on reducing New York State's carbon footprint, obviously. The people who were standing up before would probably say we're way behind on that. And so the question I have is, do you have plans to expand -- let's just use as an example solar on state lands, whether they be parklands or, more importantly, when I was Corrections chair, I went to 38 prisons, and there's a lot of open land there where you could easily put solar panels.

And the other benefit would be you could then create a training program for inmates to learn how to install them and fix them so when they get out of prison they have a skill that's much more 21st-century marketable than other skills and would work better for many of the people who are there.

So is there any plans to try to get correctional facilities, state parks and other state lands to increase the solar footprint?

COMMISSIONER SEGGOS: Well, that's a great idea about using our prisons for these

reasons and these purposes.

Absolutely. We would think, you know, what lands are the most appropriate for the buildout of this expanded network of renewable solar and wind. There's an enormous amount of land out there -- whether it's in state hands or not, I can't say -- but brownfields, Superfund sites, industrial sites, former industrial sites, quarries, you know, on and on and on. Impacted land that we will look to build out and prioritize.

We'd look to the Climate Action Council for some advice on this, but this is absolutely one of the things we would be looking at. You know, at certainly some parks. Parks have good administrative buildings and other spaces that we can use for renewables, solar.

I would prefer not to get into the business of, you know, putting renewables on truly virgin space, green space, because I think we have a significant portion of land that's already heavily impacted.

And your concept of working with DOCCS

to both do some job training, on-the-site job training there, as well as using the roof space and open space, is a good idea.

ASSEMBLYMAN O'DONNELL: Well, I thank you for that compliment. Maybe if you were to go across the street and not tell anyone I came up with it, maybe it has a chance on making it happen. Okay?

COMMISSIONER SEGGOS: Nobody's here right now. No one's watching.

ASSEMBLYMAN O'DONNELL: Okay. Thank you very much.

COMMISSIONER SEGGOS: Thanks.

CHAIRWOMAN WEINSTEIN: Thank you.

I just have a couple of questions that amazingly haven't yet been gotten to. And really just to follow up maybe in a little detail of some of the members that did raise questions about the Clean Water Infrastructure Act of 2017.

I know that 200 million was set aside for projects in the New York City watershed, north of New York City, and that projects were identified. Has the funding gone out to

those projects? And if not, when can we expect it?

COMMISSIONER SEGGOS: I don't believe the funding has gone out yet. I know there's been communications between the city and state about those monies.

My understanding is that they're nearing a point at which the funds will be released. I can give you some specifics on that probably this week and let you know what the latest is. But I think there's been positive back-and-forth.

CHAIRWOMAN WEINSTEIN: And then maybe just a quick update on the status of the other various components of the Clean Water Act, the obligations, other disbursements made so far, and how much remains unobligated of the original $2.5 billion.

COMMISSIONER SEGGOS: I did not bring the detailed numbers. I'd be happy to get that to you. You know, there are a number of specific pots, obviously, that were set aside for specific purposes, and I can get that to you this week also.

By and large, the funding sources are heavily subscribed. We have great competition for those dollars, and usually oversubscription. So I would venture to say at this point that most of those funds are either out the door or are allocated already toward specific projects. But I can get you the actual breakdown.

CHAIRWOMAN WEINSTEIN: That would be great.

And is there a spending plan for the new 500 million that's in this year's Executive Budget?

COMMISSIONER SEGGOS: I think we would look to continue certainly the municipal grants, the grants that have been going out the door -- you know, continue proportionally, as we have the last five years.

So that the -- we don't envision changing any of the language within the law. It's been very effective. It's -- whether it's intermunicipal or whether it's just straight-up WIIA grants, again, all very

popular programs. And we talked earlier today, obviously, about some of the ways in which we can help some of the smaller municipalities tap into those pots, and I think that might be more of my focus in the short term.

CHAIRWOMAN WEINSTEIN: Thank you. That concludes the Assembly's questions.

Oh, I am mistaken. Mr. Palmesano, who has joined us, had a question.

ASSEMBLYMAN PALMESANO: Thank you, Madam Chairwoman.

Thank you, Commissioner, for your time. I know it's been a long day --

COMMISSIONER SEGGOS: Thank you.

ASSEMBLYMAN PALMESANO: -- I kind of got here on the back end, and so I had a couple of questions to ask you regarding the CLCPA. I've had plenty of discussion with my friend and colleague back here Mr. Englebright over the past years on the issue.

Thirty-three -- I'm going to try to get a couple of questions in one because of

the time. Thirty-three billion is certainly an ambitious and costly spending, investment, however you want to refer to it. This is going to be picked up by the taxpayers, ratepayers, the farmers, the manufacturers, who are going to be assessed with higher utility costs and taxes along the way, correct?

COMMISSIONER SEGGOS: Well, Assemblyman, I'll have you, if you can, raise the ratepayer question to either the Department of Public Service or NYSERDA.

ASSEMBLYMAN PALMESANO: I'll do that.

COMMISSIONER SEGGOS: My understanding is that they have answers for how those particular funds, those pots of funds, would be applied and paid for.

Part of the $33 billion, as we've talked about today, is the "Restore Mother Nature" Bond Act, which again is more within DEC's purview. Those are -- or those ultimately, if the voters say yes, it would be coming out of -- it would be, yes, from the taxpayer.

ASSEMBLYMAN PALMESANO: I do have a question on that too. Given that the CLCPA only affects New York State and given that New York State only contributes 0.5 percent of the total carbon emissions in the world and only 3.3 percent of the total carbon emissions in the United States, what significant impact is this really going to have on the total carbon emissions that we're having going out in the world when Russia, China, India, Pennsylvania, Ohio, North Carolina aren't participating?

And how will we also deal with the impact of carbon leakage when these businesses, manufacturers, farmers leave New York -- because there's no place for them to do business here anymore because of the costs that we talked about that you've acknowledged -- are going to be going to other states, and then if you don't have strict regulations, the carbon leakage is going to get up.

So what have we actually accomplished? Is it that you just think that we're going

to -- the Governor thinks we're just going to lead the country and the world in this and that other places are going to keep following suit and follow us right along the way? And if your answer to that question is yes, I have a bridge to sell you a little further south from here that's only going to cost no more than $4 billion.

COMMISSIONER SEGGOS: Well, respectfully, I think if we don't step out, no one's going to. I mean, we have a federal government that's in full retreat. They walked away from the Paris Accords, which would have frankly done internationally what -- the problem that you're tapping into.

And I think the Governor saw this coming a few years ago when the President pulled out of the Paris Climate Accords, starting the U.S. Climate Alliance with California and other states. Now it's more than half the U.S. population subject to the U.S. Climate Alliance, and all states having made a commitment to do perhaps not as much as New York has proposed to do or committed

to do, but nonetheless picking up and working collaboratively on that.

There are other programs that we do multistate that address that exact problem. One of them is RGGI, the Regional Greenhouse Gas Initiative. The CLCPA, the Climate Action Council is going to look at issues of carbon leakage, issues of collaboration with other states. I mean, there are a lot of initiatives underway, multistate initiatives, that the Climate Action Council will probably take up and recommend thumbs up or down for New York.

We are entirely mindful of carbon leakage creating problems here in New York that ultimately push carbon elsewhere or push jobs out of the state. The way that the law was drafted, in my view, was really effective in recognizing the coming problems if you don't do this right.

So bringing in a workforce component, bringing in a jobs components, recognizing all sectors of the economy needed to be part of putting this scoping plan together, I

think ultimately is going to put the state out in a leadership position, but we're not going to be alone because other states see that we're going to start tapping into a massive jobs opportunity here. And that's really, for me, what I think the big legacy of this is going to be, is yes, we're leading the state towards a green economy, a green -- fewer emissions, but we're moving it towards a greener economy, which I think is going to be sustainable for decades to come.

ASSEMBLYMAN PALMESANO: Thank you.

And on the issue of carbon emissions, I'm not here saying that we shouldn't be doing something. My concern was that it seems like we're doing it alone and the impact it's going to have.

But when we talk about carbon emissions, the New York Independent System Operator puts out a report annually. And is it not a fact from the reports, and it's been documented, over the past 20 years carbon emissions have decreased because of natural gas replacing coal and oil and dirtier

burning fuels by -- you know, with New York City replacing all the oil boilers and dirtier burning fuels? Because of natural gas, carbon emissions have actually went down in the state, but now it seems like this administration is trying to push away from natural gas altogether, and it just seems like the wrong approach to me.

COMMISSIONER SEGGOS: No question that carbon emissions have gone down. Our mass transit infrastructure has been more effective. The recent Greenhouse Gas Initiative has produced incredible results on lowering emissions.

We need to think a lot bigger than that. Obviously, that's what we've done with the climate law from last year, which looks at challenging us to go even farther on the issue of renewable power but also looks economy-wide. Again, we talked earlier about transportation being the largest source of emissions in the state. That's something we clearly have to focus on.

We also have to look at our lands,

look at our farmlands to make sure that they're part of the solution as well and benefiting from wherever we end up.

So that's -- to me, I feel like we are more than on the right track and we've got the Governor behind us with an incredible commitment of money. Thank you.

ASSEMBLYMAN PALMESANO: Thank you, Commissioner.

CHAIRWOMAN KRUEGER: Thank you. I believe that ends your required appearance before us. Only three hours, that's not so bad.

COMMISSIONER SEGGOS: Not too bad.

CHAIRWOMAN KRUEGER: Right?

COMMISSIONER SEGGOS: Yeah. Thank you very much.

CHAIRWOMAN KRUEGER: Right. Three hours plus two demonstrations. Thank you very much all for your attendance. And as you get up and move along, we're going to invite Erik Kulleseid, who is the commissioner of the New York State Office of Parks, Recreation and Historic Preservation,

to replace you.

And for those on the panel, it might be a good time to stretch your legs for a few minutes.

(Brief recess taken.)

CHAIRWOMAN KRUEGER: All right, everybody, if you would take your seats. I know it's hard to imagine anything more exciting than Basil Seggos for three hours, but I am convinced that Erik Kulleseid can be just as exciting in less than three hours.

(Laughter.)

COMMISSIONER KULLESEID: That would be good.

CHAIRWOMAN KRUEGER: So please.

Hello, welcome.

COMMISSIONER KULLESEID: Good morning -- good afternoon.

CHAIRWOMAN KRUEGER: No, it's not morning, it's afternoon. And those of you who have the schedule, you see that we have a very full agenda through the night, so get comfortable. Get popcorn.

Okay.

COMMISSIONER KULLESEID: Thank you.

Good afternoon, Chairwoman Krueger, Chairwoman Weinstein, Senator Serrano, Assemblyman O'Donnell, and distinguished members of the State Legislature. Thank you for inviting me to discuss Governor Cuomo's Executive Budget proposal.

I'm honored to be here today representing Governor Cuomo on behalf of the Office of Parks, Recreation and Historic Preservation. And mind you, it's no small perk to be here during the daylight hours this year, in contrast to past years when doing lonely evening testimony in front of you all.

I believe I have the best job in state government, overseeing New York's 250 state parks, historic sites, golf courses, boat launches and recreational trails, visited by more than 74 million people each year. In a time of too much division, parks and public lands are our common ground. They are the lands, refuges, open spaces that belong to us all.

The Executive Budget provides for excellent stewardship for the lands entrusted to our care. It provides stable funding to maintain core agency functions, including 22 new park-level staff for maintenance and safety, continues the Environmental Protection Fund at its historic high, proposes a $3 billion bond act for environmental projects, and provides $110 million for our capital budget.

The capital allocation will continue the Governor's NY Parks 2020 initiative to reverse decades of decline and neglect in our parks, and to transform and modernize them for the 21st century. While there is still much more to do, we've made amazing progress. Since the Governor launched this historic investment with your support, we have initiated more than 900 improvement projects across the state, completed more than $1 billion in work with public and private funds, and built visitorship by 35 percent.

Highlights from the last year include completing the $100 million transformation of

Roberto Clemente State Park in the South Bronx; opening the largest state park in New York City, in Brooklyn, named after civil rights pioneer Shirley Chisholm; opening Camp Junior in Harriman State Park; and then others like revitalizing the marina at Sampson State Park, opening a new visitor center at Walkway Over the Hudson, and revitalizing the amphitheater at the Saratoga Performing Arts Center.

This year, New York will also launch Restore Mother Nature, the nation's most aggressive program for habitat restoration, open space protection and flood reduction, funded in part by a $3 billion environmental bond act. This initiative is crucial to our state park system, which encompasses more than 300 miles of shoreline along the Great Lakes, Atlantic Ocean and tidal estuaries. Significantly, the bond act would fund two new state parks: A 508-acre former quarry in Kingston offering dramatic Hudson River views and an extraordinary restoration opportunity; and a Hudson Eagles State

Recreation Area that would upgrade five state boat launches to create better water access between Albany and Hudson. If you've ever spotted eagles out the river side of a New York City to Albany train, you've seen this area.

The Governor's response to climate change also includes a proposed Solar Energy Corps to train young New Yorkers to build solar energy arrays and install solar energy equipment at State Park and DEC facilities. This will not only save operating dollars, but it will provide green training to young students from underserved communities and support our goal of making our parks 50 percent electric-energy-neutral by 2025.

By fully funding the EPF, the Executive Budget will enhance our stewardship and protection of the state's natural and cultural resources and connect parks and people with more education and access. This year's budget increases EPF funding for the very successful "Connect Kids" program, an initiative to bring more youth to our parks

and create the next generation of environmental stewards. Since 2016, approximately 300,000 students have visited state parks, historic sites and DEC facilities thanks to the program, with a 30 percent increase in 2019.

The budget also includes EPF funding to continue the successful Friends Groups Capacity Grants program, providing grants to friends groups that support state parks, historic sites and DEC lands. A survey by Parks & Trails New York found that our 76 friends groups in one year raised more than $17 million for the state park system through individual and corporate contributions, grants, programs and more; attracted an estimated $3.2 million in volunteer labor; and hosted, on average, 35 programs annually which brought in nearly 700,000 visitors.

We are nearing completion of the Empire State Trail, a 750-mile biking and walking trail spanning New York State. State Parks, the Hudson River Valley Greenway, and

many state and local government partners are undertaking 60 construction projects to complete the trail by this coming December, 2020.

Our Division for Historic Preservation leads the nation in the number and diversity of historic preservation listings. In 2019, we added nearly 4800 properties across 28 counties to the National Register of Historic Places, qualifying them for the New York State Rehabilitation Tax Credit Program and state and federal grant programs.

New York State leads the nation in encouraging private investment in revitalization of historic buildings. In total, since 2011 the program has incentivized more than $6.5 billion in historic resource redevelopment, upstate and downstate alike.

State Parks is looking forward to a momentous year in 2020. We will complete the second phases of Shirley Chisholm State Park and Camp Junior; we will open new visitor centers at Minnewaska State Park Preserve and

the Purple Heart Hall of Honor; we will cut the ribbon on the Jones Beach Energy and Nature Center; and we will open the reconfigured main entrance to Niagara Falls State Park connecting it much better to the center city of Niagara Falls.

I do encourage you to come out and visit our parks in the coming year and to see in person the amazing public service we provide. On summer weekends many of our parks fill to capacity with family picnics, high spirits on the playgrounds, splashing in the waves, and laughter beside the campfire.

Thank you for your support for New York's magnificent natural and historic places and the millions of people who benefit from them. I look forward to working with you in the coming year to make the park system the best it can be.

Thank you.

CHAIRWOMAN KRUEGER: Thank you.

And I neglected to say this was your first time testifying before us as the commissioner, and so welcome.

COMMISSIONER KULLESEID: Thank you.

CHAIRWOMAN KRUEGER: And I didn't even point out that you read your testimony -- which I told everyone not to do -- because it was clear you were going to make it in the 10 minutes. So if you actually write short testimony, you can pull that off.

Our first questioner will be Senator Serrano, who's the chair of the Committee on Tourism, Parks, et cetera, et cetera. He will get 10 minutes. Assemblymember Danny O'Donnell will also get 10 minutes. Then everyone else after that will get five minutes.

Senator Serrano.

SENATOR SERRANO: Thank you very much, Chairwoman.

And Commissioner, it's great to be with you and all of our colleagues here talking about an issue that I'm very excited about, as you are, and all of us who care about parks and open spaces and the wonderful things that it brings to our community throughout New York State.

I was listening to your testimony and I'm excited to learn of -- you know, I've heard in the Governor's budget presentation about the bond act and a large acquisition of additional land for the purpose of expanding parks. And I just want a little bit of clarity on this issue. Public access being so important, overcrowding being such an issue, sort of a good problem to have that there is such excitement and continued increase in park usership year over year.

Do you see this bond act and this acquisition as creating more public access? And how will that work out between DEC lands and parklands to address public access?

COMMISSIONER KULLESEID: First of all, the Kingston acquisition is in the city of Kingston, 500 acres with a mile of Hudson River waterfront. Obviously that's a rarity; it's actually a mile of riverfront without the train tracks, so it provides a rare opportunity to increase public access. That is indeed one of our objectives, as with a 35 percent increase in visitorship we need to

keep figuring out how to receive more people with the visitors that are coming.

And I think, you know, as an agency we are very well positioned to deal with large numbers. A lot of our parks are destinations with facilities that draw large numbers. I think we've done a good job of, if we need to, hardening trails at Bear Mountain. If you've been up the new trail at the front of Bear Mountain, it's magnificent and it was really hardened in response to high, high visitation. So I see us as really receiving a lot of that population and figuring out how to do it.

SENATOR SERRANO: That's good. Thank you.

A couple of other items I wanted to mention. The proposed Park Police merger with State Police, how do you envision that sort of working out? And, you know, how will that continue to address public safety in the parks?

COMMISSIONER KULLESEID: So I think your last point is where we are. This is

really about public safety. You know, as we welcome 74 million people to our parks, we have more events, our events are getting larger, we have concert venues, policing in the 21st century has obviously become much more complicated. So merging our force into the State Police force really makes a lot of sense for providing public safety in this day and age.

We already have a strong relationship with State Police, we partner with them an awful lot. They help us at some of our big events. So I'm optimistic that we will come up with a great solution that takes care of our force and that also takes care of public safety.

SENATOR SERRANO: Thank you.

And one final item, Commissioner. You've heard me speak often about the transformative effect that parks had on my life. And as a youngster growing up in New York City, in the South Bronx, being fortunate enough to be able to go to summer camp in the summer gave me a level of

exposure and things that I carry with me to this day. You know, really good things were set in motion from that experience.

I know that not all kids get that opportunity, and my fear is that over the years we see less and less of these group-style summer camps, that the opportunities -- which is a very finite window of opportunity with children at a certain age -- to give them that level of exposure to all the wonders of nature and the great outdoors, I fear that we're not able to do that because of the loss of summer camps as I knew them back in the late '70s, early '80s.

And I know that there's a lot of different reasons why that has happened. I think Camp Junior at Harriman State Park is a shining example of sort of reversing that trend. And I know you were very instrumental in making that happen, doing exactly what I think these summer camps -- they are the remedy for a lot of what is problematic about summer in the city at times.

Connect Kids to Parks I know is a very successful program. Can you speak to additional ways or, using that as a vehicle, to get more youth from the inner city or from any part of New York State to have that immersion that they need?

COMMISSIONER KULLESEID: So I would say on the one hand -- so as you know, in the Governor's proposed budget we propose to double Connect Kids, to really enable us to reach more people, to continue to get those funds out and get more kids into the parks.

I think yes, Camp Junior is exactly that. We are going to double the capacity of that camp this year, so it's going -- we're going to be much great capacity for kids from the Bronx to get up to that area. We're also working with foundations in the Buffalo area to buy sports equipment to be able to have programs in the ring parks around Buffalo.

So we are constantly looking at this, and we'd love to partner with you and keep really looking forward to figure out how can we create partnerships in other ways to

receive more and more kids into the parks. And a lot of that obviously is continuing our capital investment, particularly in those parks around New York City, which are destinations. Right? The places where you went as a kid, to make sure that they are as good as they can be for receiving urban dwellers.

SENATOR SERRANO: I can imagine a lot of the infrastructure is aging. The camps in and around places like Harriman State Park are probably very, very old, built a very long time ago. And, you know, all of these -- Camp Junior, obviously, being a good example of being able to renovate and do all the things needed to bring these places up to code so that they're effective.

But again, I appreciate what you say. I think that, you know, any opportunity that we can get to get more and more kids involved, to get them involved in a real way in our parks, is wonderful. And again, I appreciate all that you're doing, and I thank you for your testimony today, commissioner.

COMMISSIONER KULLESEID: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman O'Donnell.

ASSEMBLYMAN O'DONNELL: Good afternoon, Commissioner. Nice to see you again.

This "Restore Mother Nature" Bond Act, which is creating two new state parks, how were those locations chosen?

COMMISSIONER KULLESEID: In the case of the Kingston site, an opportunity presented to acquire a 500-acre quarry. And in this case it really was something where, you know, it was an opportunity -- one of those opportunities that comes along very rarely.

In the case of Hudson Eagles, it's actually been a concept that's been punted around, kicked around for actually a decade, probably, now. But we have an opportunity through this to create access -- to enhance access, water-based access, to what is a

pretty special stretch of the river, as you know yourself, I think. I think I don't need to tell you the --

ASSEMBLYMAN O'DONNELL: I'm a little downriver from there, but yes, I do appreciate the river.

Did you consult with the local electeds about making these decisions?

COMMISSIONER KULLESEID: In both of those cases, yes.

ASSEMBLYMAN O'DONNELL: Okay. And this Executive likes to have different regions compete against each other -- Buffalo against Long Island. So was there any thought given to whether or not this is an appropriate balanced use to the money, that they're going right there? I mean, everybody up here will tell you that wherever they represent or wherever they live is underserved in a certain kind of way. I'm not against this, I'm just wondering whether or not that was in your thought process.

COMMISSIONER KULLESEID: I think you look at these as exemplars, right, that these

are examples of where this bond act money can go. They happen to be projects that were teed up and ready to go.

But I imagine that as we go over the course of this -- of the development of the bond act that many other deserving projects will be identified statewide, and I think there obviously is every intent of having that money spent statewide.

ASSEMBLYMAN O'DONNELL: And what is your expectation for what it will take to -- the cost, excuse me, of this?

COMMISSIONER KULLESEID: We have -- it's too early to speculate. We've got appraisals pending on the property, and then it will be -- you know, really depending on the bond act, will be determined whether there's funding to actually build it out.

ASSEMBLYMAN O'DONNELL: So the possibility exists that there's not enough money in the bond act to build it out?

COMMISSIONER KULLESEID: No, that's not true --

ASSEMBLYMAN O'DONNELL: No, that's not

the possibility?

COMMISSIONER KULLESEID: No. There's plenty of money in the bond act to build it out, yes.

ASSEMBLYMAN O'DONNELL: Right. But --

COMMISSIONER KULLESEID: We will tailor to it -- you know, we --

ASSEMBLYMAN O'DONNELL: Yeah, but when we read words like "dedicated," that kind of means like nothing, right? I mean, so what exactly -- what is the commitment that the money is going to be used for this individual purpose?

COMMISSIONER KULLESEID: An exact amount has not been committed to either the Kingston project or the boat launch project. We have -- there are some ranges in it. You know, it really depends on, you know, what level of amenities you build into these places, do you keep it a passive park. There's a lot of decisions that haven't been made yet.

ASSEMBLYMAN O'DONNELL: Unlike Senator Serrano, I never went to summer camp, but I

did learn to swim at Robert Moses State Park, which I'm eternally grateful for, although I think they should change the name.

But I'm curious about the namings of these parks. So how is that going to happen, and who is going to be involved?

COMMISSIONER KULLESEID: The naming -- you mean for the Hudson Eagles and for the park in Kingston?

ASSEMBLYMAN O'DONNELL: The new -- the new Kingston one, yes.

COMMISSIONER KULLESEID: Yeah, yeah, yeah, yeah, yeah. You know, we've opened a number of parks in the last few years, right? We have Buffalo Harbor State Park, which kind of suggests where it is. We've opened Shirley Chisholm -- obviously was named after a leading figure from Brooklyn and from really national -- of national stature.

You know, names have not been chosen. It could be named after natural features, it could be named after people, but none of that has really been determined yet.

ASSEMBLYMAN O'DONNELL: Well, I would

really hope that the naming would be connected to where it is and the locality of there, not, you know, a rich donor who sends some checks. Do you understand?

COMMISSIONER KULLESEID: Yup. Exactly.

ASSEMBLYMAN O'DONNELL: The solar electricity by 2030 was supposed to be receiving 50 percent under you. What is happening with that?

COMMISSIONER KULLESEID: So we have already taken a number of parks off the grid on Long Island, and we are now pending -- looking at a whole -- taking our entire Taconic region off the grid sometime in the next year. We actually have contracts to move ahead with that. And we will continue to aggressively pursue that.

And we find that these Solar Conservation Corps is a neat way to do it. It's great training. We put it in our parks and it's actually been -- they've been fantastic, you know, learning projects and have really done a great job of putting us in

the forefront of this, getting off the grid.

ASSEMBLYMAN O'DONNELL: And is it your intention going forward when you build new parks that they be off the grid as well?

COMMISSIONER KULLESEID: The agency would -- we would like to be off the grid, yes.

ASSEMBLYMAN O'DONNELL: Okay. I just want to thank you. I think parks are very important, and your work is terrific. I would like to encourage you and the second floor to invite the local elected officials and the chairs of the relevant committees to events that occur in them. And certainly -- I'm not certain who represents Kingston, but if he or she were not -- the Assemblymember were not to be consulted or not to be invited to participate in the ribbon-cutting, that would make me very angry.

COMMISSIONER KULLESEID: We will make sure that happens.

ASSEMBLYMAN O'DONNELL: Thank you very much.

CHAIRWOMAN WEINSTEIN: Thank you.

Senator Seward.

SENATOR SEWARD: Thank you.

And Commissioner, it's good to see you again.

COMMISSIONER KULLESEID: Good to see you. Thank you.

SENATOR SEWARD: As I read the Executive's budget proposal, it calls for the hiring of 22 traders, generalists and scalers for the park system. What would the duties of these workers be under those titles, and what is the need for these 22 new slots?

COMMISSIONER KULLESEID: Well, obviously you're familiar with our parks. Our parks, especially in Western New York, are characterized by these dramatic, beautiful gorges, some of the most beautiful gorges -- Robert Treman and Letchworth, Niagara Gorge. And all those gorges are made of rock that gets loose in the freeze-thaw of winter, and so every year we send crews out to just dislodge the loose rock and make the place -- make sure the places are safe for the public. And that happens every year.

So it's scalers, really allowing us to do that effectively statewide, because that's what a scaler does. And then, you know, we have a -- it's a large system, it's got a lot of use, and we are -- now we've been investing in it, it really makes sense to build our trades capacity to maintain the investment that the state has made in these parks over the last eight years.

SENATOR SEWARD: Well, that second point is a good problem to have. You're popular.

COMMISSIONER KULLESEID: Yes.

SENATOR SEWARD: Which is great.

There is a proposed -- another round of NY Works infrastructure program, I think it's $112.5 million.

COMMISSIONER KULLESEID: Correct.

SENATOR SEWARD: What projects will these funds be going towards?

COMMISSIONER KULLESEID: Those are the lists we're developing now, you know, we will be developing through the budget process, and by the spring season we'll be able to sort of

release those. But right now that project is in development.

SENATOR SEWARD: I noted -- and we've had a discussion about the funds from the proposed bond act, the Restore Mother Earth Bond Act, going toward two new state parks. And I would just take this opportunity to point out right in my home area we have the Robert Riddell State Park, which is close to 2,000 acres that were donated by this family to the state for a new state park -- this was a number of years ago. And it's located right at the Cooperstown exit of I-88. So particularly in the summer months it's a very highly visible and traveled area.

And I have -- even though there have been some minimal investments at the Riddell State Park, I would just urge you to take a look at how we could as a state do more there at that particular park. It could -- it's -- it could be -- it's exposed to so many visitors and New Yorkers that visit Cooperstown and that area. We expect a big crowd this year with Derek Jeter going into

the Hall of Fame.

And I just think we just have not, as a state, given enough attention to this park to help it reach its full potential on behalf of the people of the state. But now we're going out and purchasing additional land for two new state parks when my point is perhaps we have not invested in what we already have in terms of parks.

So I'd be very, very happy to work with you. It's in the central region, this particular park. I'd be very happy to work with you on ways that we could better utilize those close to 2,000 acres on behalf of the people of the State of New York and those that visit our state.

COMMISSIONER KULLESEID: Thank you for that comment. And we'd be more than happy to sit down and talk to you. As you know, we think -- we want to do some improvements there, certainly to make it a little bit better for the public to get in there.

SENATOR SEWARD: Okay, thank you.

CHAIRWOMAN WEINSTEIN: Assemblyman

Englebright.

ASSEMBLYMAN ENGLEBRIGHT: Thank you. Thank you, Madam Chair.

Commissioner, first, I just want to say congratulations, I know that you have dedicated your life to the parks. And it's gratifying that the Governor had the wisdom to take that lifetime of commitment and to recognize it and to appoint you.

COMMISSIONER KULLESEID: Thank you.

ASSEMBLYMAN ENGLEBRIGHT: I just have two questions today.

You mentioned the Empire State Trail. The portion that has not been really scheduled for completion within the time frame that you mentioned is the Long Island section. Are you, first, aware of that? And are you willing to roll up your sleeves and find a way to include coastal New York and the coastal plain province within the Empire State Trail?

COMMISSIONER KULLESEID: I am aware of the Long Island initiative, and I believe we gave the Trust for Public Land a grant this

past cycle to help them really finish out the plan, the conceptual planning for an extension of the Empire State Trail into Long Island. So I think we were -- we're supporting sort of advancing work on that.

ASSEMBLYMAN ENGLEBRIGHT: So you're already doing some of the advanced work?

COMMISSIONER KULLESEID: I believe that we gave them a grant in December. I'll get back to you, but I believe that we gave them a grant in December.

ASSEMBLYMAN ENGLEBRIGHT: Okay, thank you.

And my second question, there are two great state park systems in the state that the state is intimately involved with. One is obviously directly in your control. The second is the zoos, botanical gardens and aquariums galaxy of parks.

They're not officially state parks; they are, however, all not-for-profit organizations and they work in many ways in parallel to what State Parks does. And the ZBGA program, funded through the EPF, largely

comes through your agency.

I've always wondered if it's possible for those two parallel in the universe park systems to coordinate more closely in terms of marketing, in terms of the common history. I know that you're already sort of moving in that direction in some places, such as Sonnenberg Gardens, which is now a state park. But I'm just wondering if you're open to exploring ways to have an even stronger alliance with the zoos, botanical gardens and aquariums of the state.

COMMISSIONER KULLESEID: Very much so. And I think that obviously they are -- the support for them in the EPF is a great -- shows great state confidence in those institutions and their importance to environmental programming and education in the state. And we actually host a couple of them.

But I think very much we are -- we would love to have those close conversations and improve those relationships. Always looking for those. We need our partners to

do things, and our partners are great assets for us.

ASSEMBLYMAN ENGLEBRIGHT: My Speaker represents where the two largest institutions in the state are, in the Bronx.

COMMISSIONER KULLESEID: They're big.

ASSEMBLYMAN ENGLEBRIGHT: They occupy the heart of the Bronx. So I'm -- I share with him a concern about those two organizations.

Thank you for your answers.

CHAIRWOMAN WEINSTEIN: Thank you.

Senator Metzger.

SENATOR METZGER: Thank you, Madam Chairwoman.

Can you hear me?

COMMISSIONER KULLESEID: I can hear you, but I'm not sure anyone else can.

SENATOR METZGER: I have the worst time with these things.

First, I just want to thank you and really thank the State Parks Commission, because my district benefits hugely from the state parks we have. We feel very rich in

that department. It's great for our economy, great for our quality of life, and great for the environment.

I wanted to just ask you -- we started a conversation last year about electric vehicle charging infrastructure at parks. I love to see that you have this renewable program, I think it's great. It would be great to integrate that with charging infrastructure. It will bring more visitors to the parks. It's kind of a perfect marriage, because people are looking for things to do while they're charging their electric vehicles. And we need this infrastructure across the state, and you have parks across the state. So I wanted to see if there's been any more thought given to that.

COMMISSIONER KULLESEID: You know, we are doing that -- we just did the parking lots at Niagara Falls, I believe, where we had electric charging stations.

Clearly, as this program gets rolled out and we're building these EV stations all

across the state, our parks are where they should be. I'm hoping we have them at Minnewaska coming up. But they're huge opportunities, yes.

SENATOR METZGER: Okay. All right. Thank you very much.

CHAIRWOMAN WEINSTEIN: Thank you.

Assemblywoman Glick.

ASSEMBLYWOMAN GLICK: Nice to see you here. Thank you.

I know that there has been this attempt to add some additional resources to State Parks and do more capital infrastructure. The -- there is a lake in Harriman Park that was very highly used and it's -- since Sandy, it's been unusable. So I'm just wondering where that is. I mean, it's a -- for people who live in the City of New York, it's a great retreat, but it has been closed, primarily, for the last several years.

So (A) what is the timeline on that? I realize you have a lot of parks all over. But this was one of those, and one would

think that maybe some of the federal dollars could have been used to rebuild that.

COMMISSIONER KULLESEID: I think you're talking about Lake Sebago.

ASSEMBLYWOMAN GLICK: Yeah, yeah.

COMMISSIONER KULLESEID: Yeah. So Sebago has been closed since Irene and Lee; I think there were some drainage problems there. It will take quite a significant amount of capital. We are actually looking at that as a potential place to expand capacity -- to restore capacity in the Lower Hudson Valley. But we also have an enormous pool at FDR, in Yorktown, that is also very heavily used by people from New York City. We have to restore it, we have to redo it.

But it actually is very much one of the places I'm very interested in looking at closely to rebuild the capacity in the State Parks system.

ASSEMBLYWOMAN GLICK: Well, it used to be -- it wasn't just people who could drive, it was like groups that would take schoolkids. And, you know, so it was to get

them out of the city entirely, to actually see a different type of expansive nature. So it was sort of a key area.

And the only other thing I would ask is I know DEC has what look like -- I guess it's DEC management areas; they look like parks. And I'm just wondering what the connection is to -- there are places like Bear Spring, in Delaware County. It's a camping site. I used to camp in state parks in the Adirondacks, so this looked the same.

And I'm just wondering, how is it decided that some are DEC and some are Parks, and what synergy is there between the two?

COMMISSIONER KULLESEID: So for camping in particular, obviously, we put out a joint camping guide every year, right? And when you make reservations, it's through the same program. So for camping, it is pretty seamless.

It is true that outside the Blue Line they tend to be run by State Parks, and inside the Blue Line they tend to be run by DEC. That's really the only distinction

between them.

ASSEMBLYWOMAN GLICK: Okay, thank you.

CHAIRWOMAN WEINSTEIN: I have one I think final question on behalf of the -- from the panel.

In your testimony you note that visitorship in the state parks is up by 35 percent since -- I guess 2013, right?

COMMISSIONER KULLESEID: 2011, yeah.

CHAIRWOMAN WEINSTEIN: So during that same time, if I'm not mistaken, the operating funding for the agency has remained relatively flat. Have you been able -- does that allow you to deal with this new third increase of visitors? Should you have -- do you need more? Is that adequate funding? Do you need more, and what would you do if there was more support?

COMMISSIONER KULLESEID: We have adequate funding. One of the things we've been doing with this capital is we are investing in ways to reduce our expenses. So the solar initiative obviously is great for the planet, but it's also good for us because

it reduces our expenses. A lot of our new facilities, we are being -- we are building them, we're restoring them at much more sustainable levels, replacing light fixtures and then restructuring.

But we are -- it's -- you know, obviously we are -- it's -- we are lean, but we've really found there are opportunities within the agency to make improvements to management that we've been able to make it work and really welcome, you know, 20 million more people than we used to with the same staff. And we are also happy to have the extra 22 employees proposed to be added to our force.

CHAIRWOMAN WEINSTEIN: Thank you for -- thank you for your testimony, being here today.

COMMISSIONER KULLESEID: Thank you. Thank you.

CHAIRWOMAN WEINSTEIN: Next we will be hearing from Richard Ball, commissioner, New York State Department of Agriculture and Markets.

We were joined a short while ago by Assemblywoman Lupardo, chair of the Assembly's Agriculture Committee.

CHAIRWOMAN KRUEGER: Is Commissioner Ball here? Ah, there he is up there. Our eyes aren't that good. Walk carefully.

(Pause.)

CHAIRWOMAN KRUEGER: Good afternoon.

COMMISSIONER BALL: Good afternoon.

CHAIRWOMAN KRUEGER: Hello, Commissioner Ball. Welcome today.

COMMISSIONER BALL: Good to be here.

CHAIRWOMAN KRUEGER: We tell everyone you have 10 minutes. If you can avoid actually reading the testimony and just giving us your highlights -- but you have very short testimony, so I'd bet money you could get through it in the 10 minutes anyway.

COMMISSIONER BALL: I'll get it done in five, how does that sound?

(Laughter.)

CHAIRWOMAN KRUEGER: Gives us more time to question you.

COMMISSIONER BALL: Are you prepared?

CHAIRWOMAN KRUEGER: Mm-hmm.

COMMISSIONER BALL: Okay.

Good afternoon, Chairwoman Krueger, Chairwoman Weinstein, Senator Metzger, Assemblywoman Lupardo, members of the Agricultural Committees, and elected officials. I am honored to present my testimony on the fiscal year '21 Executive Budget for the Department of Agriculture and Markets.

Despite continued uncertainties at the federal level and in the marketplace, the state's agricultural community is making progress, thanks to the Governor's dedication to the industry and to our partnerships with all of you.

The Executive Budget recommends $190 million for the department, an increase from last year, showing strong commitment to the agricultural industry. These funds will allow us to execute our essential functions while implementing innovative programs that promote agriculture in New York.

Importantly, this year's Executive Budget addresses our industry's concerns and provides clarity on the Farm Laborers Fair Labor Practices Act by expanding the definition of "extended family."

It also confronts climate change, continuing Environmental Protection Fund funding at $300 million. For our department, that means $55 million to support farmland protection, climate change mitigation, water quality improvement, and invasive species programs.

Building on that, the Executive Budget proposes the $3 billion "Restore Mother Nature" Bond Act, which will also expand on-farm best practices and agricultural nutrient management programs.

We're pleased that the Executive Budget proposes $27.4 million in local assistance, to ensure the future of New York agriculture. These dollars will support key programs that provide specialized technical assistance, research, agricultural education, workforce development, and marketing

initiatives for agriculture.

For example, we are continuing to fund historic investments in the New York FFA program. The results have been very impressive. New York FFA had the highest membership increase in the country in 2019.

To expand opportunities for new farmers, the department will also be convening a workgroup this year committed to increasing diversity in the farming community of New York State.

Through the Taste NY and NYS Grown & Certified programs, Governor Cuomo continues to prioritize the promotion of locally grown and produced foods. New York State Grown & Certified has done a tremendous job of helping farmers and small businesses answer the demand from consumers for fresh, local food. In three years, we have seen the program grow to over 3,000 farms on over 775,000 acres of farmland.

A proposed blue-ribbon task force will build on the New York State Grown & Certified program and look at produce traceability to

provide consumers with more information about the source of the food that they eat.

The Executive Budget also provides $1.5 million for our Farm to School program, bringing more fresh local food to children and connecting our farmers to new markets.

The department performs crucial regulatory functions that help safeguard our plants and animals and ensure the safety of New York's food supply. The number of establishments requiring our inspection is ever-increasing. The Executive Budget provides a much-needed boost of support with the addition of staff, including inspectors for the Industrial Hemp Agricultural Research Pilot Program, who will be on the front lines of our food safety, public health and plant health efforts.

Finally, the New York State Fair has shattered attendance records for four years straight. In 2019, the fair welcomed over 1.3 million guests. This year's budget proposes $5 million to extend the fair's run, allowing more visitors than ever to

experience New York agriculture. In addition, $15 million will be used to continue to modernize the grounds and encourage year-round use.

The proposed fiscal year 2021 Executive Budget moves our agricultural industry forward. As the development of a State Budget is a partnership with you in the Legislature, we look forward to hearing your priorities and working with you in the year to come.

So thank you. How'd I do?

CHAIRWOMAN KRUEGER: Thank you. That was less than five.

Senator Metzger, the chair of the Agriculture Committee.

SENATOR METZGER: Thank you, Madam Chairwoman.

And thank you so much, Commissioner Ball. And I just want to express my appreciation for all that you do for New York's farms. You are a real champion of our agricultural sector.

The importance of agriculture in

New York cannot be overstated. It generates 5.7 billion in gross income, it employs 55,000 workers. And when you consider the multiplier effects, its economic impact is upwards of $45 billion. And beyond the economics, it is so important to the quality of life of all New Yorkers. Agriculture is critical to our food security, to addressing climate change and preserving the environment and open spaces, and to preserving thriving rural communities.

There are a lot of good things in this budget that you've drawn attention to. I'm also concerned that there's close to $5 million in proposed cuts from the previous year that I think is going to be very important to restore.

I'd like to ask -- focus on a few questions. I want to start off first with the -- a welcome addition to the budget, which is 40 new full-time positions, which I think is fantastic. If you could just talk about where this new staff will be deployed, what they'll be working on.

COMMISSIONER BALL: Sure. Yeah, they're various parts of the agency. Fifteen will be at the State Fairgrounds, because we're moving that into a year-round enterprise more and more, and we've had a lot of attrition over there in the last five years. So some of those people are going there.

Some of the new FTEs are going to be in our lab, as we need to do more lab testing -- for example, industrial hemp issues. We've got some in dairy. As you know, we inspect all the dairy processing plants. We have over 400 plants in New York State right now. And we've got some going in plant as well.

SENATOR METZGER: Okay. Now, you know, we have a wonderful and growing hemp industry, which I just put the legislation in place to really facilitate some really dynamic growth in that area. And I want to just make sure that we'll have staffing levels that are adequate to support that growth in that.

COMMISSIONER BALL: You bet.

SENATOR METZGER: You feel confident that we do.

COMMISSIONER BALL: I do. I do.

SENATOR METZGER: Okay. I want to turn now just to the "Restore Mother Nature" Bond Act and ask you, you know, in your dream world for agriculture, what would you like to see some of that funding go toward for agriculture? I can think of many needs personally; I would like to hear what you think it should be used for.

COMMISSIONER BALL: Well, we're just getting started on all these. But I want to make very clear that we're going to look very closely at nutrient management on farms. That's going to be the lion's share of what we hope to get out in agriculture from this bond act. And I think our soil health initiatives are going to complement very well that theory and those acts.

So we're just getting started on this. There's going to be a lot of time for input from you and from us. But that's where I see

that going.

SENATOR METZGER: I expressed concern earlier to Commissioner Seggos about the proposed cut of a million dollars to the Farmland Protection Program. I think that's a very bad idea. I feel that, if anything, that that funding should be increased. And I wanted to see if you saw any opportunities in this bond act to make up for that loss and even perhaps increase that funding.

COMMISSIONER BALL: Sure. And I appreciate that concern very much. We've had a great record of continued funding for farmland preservation, and we're now ranked in the top five in the country in that regard. In fact, last year we hit a milestone with 175,000 acres that have been preserved.

But if you look beneath the surface -- number one, we do have some reappropriations available to us that we'll utilize. But I think, more importantly, if you look beneath the surface you'll notice that we did a Dairy Transitions Program last year. In addition

to the funding for farmland preservation, we did a specialized $30 million dedication of dairy transition, targeting dairy farms looking to transition to the next generation, looking to transition to a different crop, looking to transition to more efficient methods on their farm. We awarded those within a year.

On top of that, we redid the Dairy Transitions Program, put out a second round, and we also, looking around at other types of farms, non-dairy farms that were suffering from some of the trade, you know, challenges that the industry broad has faced with Canada, Mexico, China, et cetera. And we looked at non-dairy farms also transitioning to a different crop, different way of doing business. And we put $14 million into that program.

So yeah, we did cut 1 million, but we've added 34 million.

SENATOR METZGER: Okay. And then I think I have time for another question.

You've been a real champion of Farm to

School, which is just such an enormous opportunity for our farmers. I know Harvest New York has played an important role there. It's now been moved out of the budget. If you could just talk about what's happening with the Harvest New York program a little bit. It looks like it's out of the ag budget, correct? And --

COMMISSIONER BALL: That's a great program. As I mentioned earlier, though, I have to say that this budget for agriculture is a process. The Executive gets to put forward his Executive Budget, and then the Senate and the Assembly come together with their table money and we work out a budget for all of agriculture.

I remember as a farmer coming here to Albany in 2012, for example. The Executive Budget for Agriculture Aid to Localities was $5 million. Last year we got, in the Department of Agriculture, the biggest budget for agriculture we have ever gotten in the history of New York State. And this year it's essentially the same. We're talking

about 27.5 million. And actually the Executive portion of the budget amounts to 89 percent of agriculture's funding to localities.

So we've got some other great programs out there, and we certainly look forward to working with all of you. You are out in your district, you're in your region, and you hear what's really important to your farmers. And we're happy to talk with you and think about the things that need additional funding in this budget. But we're off to a great start, from my estimation as the Commissioner of Agriculture, by the support we have from this Governor.

SENATOR METZGER: Thank you very much, Commissioner.

COMMISSIONER BALL: You bet.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: We've been joined by Assemblywoman Woerner.

And we go to our Agriculture Chair Donna Lupardo for questions.

ASSEMBLYWOMAN LUPARDO: Thank you very

much.

Well, greetings.

COMMISSIONER BALL: Greetings. Good to see you.

ASSEMBLYWOMAN LUPARDO: Good to see you and everyone who's working with you.

I'm glad you mentioned what a banner year we had last year, because we worked very hard to raise the importance of agriculture and raise the profile. I think we're going to have an even better year this year because of the understanding about how integrated agriculture is really into not only the economic health of upstate, but throughout the whole state.

And I want to just point out that last year the Legislature passed -- I think it may have been unanimously -- the creation of an agricultural investment task force. And I think what we were trying to say there, even though the bill was vetoed, what we were trying to say is that the discussion of agriculture should be integrated in with some of the other departments where we are

typically siloed -- State Ed; Empire State Development; DOT, even; DEC. And some of the topics that I think we would have gotten into with that really I think is where we are now, a turning point.

And I was hoping you could maybe briefly explain to my colleagues who are very interested in reaching our climate goals, how agriculture might play a role in developing more specific ecological farming practices. I think people would be very inspired to know what we could deliver if we were more actively engaged in the conversation.

COMMISSIONER BALL: Well, thank you. That's a big subject. It's a great one, though.

I have to say that when I first was asked by the Governor to take this role on, he asked me to be a part of a team. That was the word he used: "I want you to join the team." And I have to say that I've always felt like a team member when I meet with the rest of the cabinet, talk to the other agencies, the other commissioners.

As a matter of fact, the first thing we undertook at the Department of Agriculture that very first year was something we called the silo workgroup. And I invited in all the commissioners from every department in state government that regulated agriculture in any way. So it was a lot of people, and it was great. But we all sat at the same table and I think formed a great relationship with our farm community, made some progress at breaking down those silos.

So today, as we look at the challenges ahead of us, particularly with regards to climate, I would say our relationship with DEC, our relationship with NYSERDA, our relationship with the Public Service Commission has never been better than it is today. And so when we look at the climate challenges, we talk to each other and we are actually meeting on a regular basis with each other to look at those opportunities.

I'm particularly excited about climate, because every day, you know, for farming, since I was 18 years old, I've seen

the changes and the evolution and the way we take care of our soils, the way we manage the issues around climate. We've had unfortunately, just in the last few years, the worst drought in the history of New York State, one of the worst wet years in the history of New York State, flooding in various parts of our state. And so I think our opportunity is to make sure that as we go forward with regards to climate resiliency, agriculture is at the table and we advantage our farmers.

ASSEMBLYWOMAN LUPARDO: Let me ask you a couple of quick budget questions and then we might go back and talk about this a little bit further.

COMMISSIONER BALL: Okay.

ASSEMBLYWOMAN LUPARDO: So in the new positions, has anyone ever recently requested an additional position in the animal industry section? We are faced with a lot of public demand for increased inspections, pet store awareness, breeders. Is that something that is a need in your agency that should be

addressed potentially in new positions?

COMMISSIONER BALL: Right now, in Animal, we're in pretty good shape. We have probably the best vet in the country, Dr. Smith, and he's got a great team of people there.

The concerns I have there are more in-house, in the office, managing the requests of documents. But we've got an excellent team out in the field, veterinarians. They're able to keep up with the job as it's currently subscribed to us.

But the challenges we've had have been internal and processing licenses and things like that. So we've dealt with that.

ASSEMBLYWOMAN LUPARDO: Thanks.

On the farm labor law, so I see the Governor has put in a change regarding the definition of "family member." I'm sure you're aware that there are some other definitions that we would also like looked at regarding some of the other categories -- salaried worker, managerial, secretarial. Is that something we might be able to achieve in

the 30-day amendments, or are you optimistic that's part of the conversation?

COMMISSIONER BALL: I am. And I believe we can get there on that. Going to the third level of consanguinity is an important fix initially. I think some more additional discussions need to be held around the salaried workers, et cetera. But I'm quite confident that we can get there. It's important to us at the department, obviously important to the industry. I would have to add it's very important to the Governor's office and also to the Commissioner of Labor. We're going to get there.

ASSEMBLYWOMAN LUPARDO: Right. And of course there are some other issues under discussion as well --

COMMISSIONER BALL: Yeah.

ASSEMBLYWOMAN LUPARDO: -- that we can talk about another time.

On the State Fair, the appropriation of additional capital funding. I've been approached by some groups who aren't typically in the conversation about

improvements. And I was wondering how will you solicit feedback or how might someone who's not necessarily at the table be a voice? How might I, how might we better communicate with you about some of the needs of -- capital needs at the fair? I mean, what's our best route?

COMMISSIONER BALL: Sure. That appropriation is going to be obviously ongoing maintenance. We've grown the fair, we've grown the building site, we've improved a tremendous number of things. We've got electrical upgrades, safety upgrades that continue to happen. And so that's where that funding's going to go.

But you have my email address, and you have the record for sending the most number of emails to me in a day.

ASSEMBLYWOMAN LUPARDO: Usually around midnight.

COMMISSIONER BALL: Yes. And that's okay. Please do that, avail yourself of that. So --

ASSEMBLYWOMAN LUPARDO: I will do

that.

The Childhood Nutrition Program, your notes said that -- an additional 1.5 million for the Farm to School Program. Did you mean new money, or that's the appropriation split between two agencies?

COMMISSIONER BALL: It's $1.5 million for Farm to School. So half of that comes from State Ed, half of that comes from us.

ASSEMBLYWOMAN LUPARDO: Obviously a big passion -- for you, for me. It's something we would like to see ramped up.

Do you think there would be some willingness to -- again, on the silo side of the conversation -- bring the two main agencies together to potentially address some of the bureaucratic difficulties that sometimes emerge when you have two agencies co-managing a program? I was hoping we could work out a way of perhaps streamlining some of the challenges people have told us about. And I'm sure you know what I'm talking about.

COMMISSIONER BALL: Sure. We'd be very open to that. You know, bureaucracies

tend to be very much about process. But we're trying to actually look at what we do at the Department of Agriculture in terms of how do we change somebody's life in New York every day for the better, not just continuing the process.

So that's a challenge the Governor gives to all commissioners, I know, not just me, but that we actually move the ball forward. We'd be happy to do that.

ASSEMBLYWOMAN LUPARDO: I have a little bit of time left. I want to talk about industrial hemp.

We have -- surprising -- we have an oversupply. I think we may have issued a few too many permits, or people didn't have correct markets set up in advance. The price has plummeted, people have a lot of material that they can't sell. I think this underscores the need to get Empire State Development a little bit more in the loop.

To that end, I see Grow-NY is a potential vehicle to have that conversation or, in some other place, to bring that group

together. Because I think some unwise decisions are being made or, on the other hand, funding is not being released because, again, the silo between Ag & Markets and SED may not have been there as well as it might have been at the beginning stages of what we've done.

But now we've got farmers in crisis, products being held back, projects falling through. So I was just wondering if hemp industry might get in on the Grow-NY or if you have a vastly different plan for those funds.

COMMISSIONER BALL: Well, I think this is an evolving issue, as you know. We have -- the market is very exciting, as you know, but it's in a rough patch right now, I think, without solid markets. So we had quite a lot of industrial hemp grown without a market, without a consumer, on speculation, which is challenging.

We've had some regulatory uncertainty. We went from one version of regulation and licensing to another version of regulation

and licensing, and now we're looking at an interim final rule. And so we've had a moving target with regards to how we operate here.

But I think in New York State we have an excellent plan. In New York our pilot research program I think is correct. We've got a good hemp bill now to work from. I think we're setting up for the long haul, with the appropriate amount of research and dedication to the varieties we're going to need. So I think we're in a good place going forward.

I'm going to Washington tomorrow, I'll meet with FDA tomorrow, and I'll be back there a couple of weeks later to continue this conversation. We need USDA and FDA on the same page with us.

ASSEMBLYWOMAN LUPARDO: Thanks a lot. Thanks for your work.

COMMISSIONER BALL: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate?

CHAIRWOMAN KRUEGER: Senator Seward.

SENATOR SEWARD: Thank you, Madam Chair.

And Commissioner and constituent, it's good to see you once again.

COMMISSIONER BALL: Good to see you, neighbor.

SENATOR SEWARD: I wanted to return to a discussion on the State Fair and the proposed additional five days of the fair. And I'm sure you're aware by now of some of the concerns of our county fairs where there is overlap. I'm aware of Erie County objecting. Over the weekend one of my local counties, Delaware County, is very concerned about the overlap.

The overlap does complicate life for, you know, the exhibitors, 4Hers and others. Usually if they do well at the county fair, they can go on to the State Fair, that type of thing. As well as vendors and others that are involved in the county fairs and also the State Fair, which usually sort of rounds out the season for us in terms of fairs in New York State.

Was there any consideration of this overlap and what that would mean in unintended consequences? And is there a way that that can be mitigated in some way?

COMMISSIONER BALL: Yes, thanks, appreciate the question. And obviously there's -- it generated some concern. But yes, our director of the State Fair, Troy Waffner, has already reached out to every one of the county fairs that are affected here, and to the vendors. And to the livestock folks who are showing. They're actually meeting together on Friday. We're going to accommodate all their needs. If someone is a vendor who typically has been, for example, in two fairs, the county fair and the State Fair, we're going to allow them -- save them space and move them in. At the appropriate time, we're going to let them come in. Things like that.

We're not rearranging livestock shows so the children who are -- or young people who are exhibiting at a county fair don't have to stop and run off to the county fair

because -- or the State Fair because it started five days earlier.

So we have a pathway forward, I think, to mitigate the concerns that everyone has. And I think frankly, you know, we've seen such growth at the State Fair in terms of representing and connecting agriculture to more people than ever. We're excited about continuing that effort, and we certainly are going to mitigate any harm that the county fairs may feel. I think it's going to be worked out. Troy is doing an excellent job there.

SENATOR SEWARD: Well, that's good to hear, and I hope it works out to everyone's satisfaction.

COMMISSIONER BALL: Yeah, I feel very confident.

SENATOR SEWARD: I also wanted to follow up on the discussion on the hemp. As you know, we did some major hemp reforms in New York State to reintroduce this product here in New York.

And can you elaborate in terms of what

the activities of the department are now and will be in terms of helping to cultivate and enhance this -- I think it could be described as an emerging opportunity for us here in New York State.

COMMISSIONER BALL: Yeah, I think it still has a lot of excitement and a lot of potential. I don't think we've really touched it all yet, so I'm still optimistic about it.

But at the Department of Agriculture we're going to retain the licensing of growing industrial hemp in New York State. We'll stay in that role; that's what we do well and understand. When it comes to CBD and processing, that is going to be moving over to Department of Health, where it belongs, and eventually to the Office of Cannabis Management, which I think is the Governor's plan ultimately and I think a good one.

So we're going to retain our interest in the growers and the farming and the seed production and the research, et cetera, to

keep this crop viable. When you get to the health side of things and daily recommended allowances and that sort of thing, that rightfully belongs somewhere else.

SENATOR SEWARD: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman O'Donnell.

ASSEMBLYMAN O'DONNELL: Good afternoon, Commissioner. Very nice to meet you.

I'm going to confine my questions to the two areas of the budget that relate to where my committee is. The first has to do with Taste NY.

So I have to admit to you I was a great skeptic of that program, but I have to assure you that every time I drive here on the Taconic I stop there and get my ginger yogurt from the Old Chatham Sheepherding Company. And I really like it. I really, really like it.

So there seems to be a limited cost to

it, though, right? The properties are generally owned by us. So is it profitable, Taste NY.

COMMISSIONER BALL: Yes. But it's a startup, of course. It's a marketing program. But last year I think we sold $18 million worth of New York agricultural products from 1200 producers, roughly, around the state.

So it's working out really well. It's been an unqualified success in my book. You stopped at our number-one store, Todd Hill. Well-run, well-managed and, for the amount of square footage in that store, it amazes me how much product they move.

ASSEMBLYMAN O'DONNELL: Well, the people who work there are lovely. But that's the only real expense is employees, right? Other than electricity.

So who has control over the buildings? Is that you or is that somebody else?

COMMISSIONER BALL: It depends on the location. You know, we've got welcome centers as well around the state. Some are

operated through DOT, some are operated through other entities. But it depends on who's there.

Our role in those stores and welcome centers is frankly getting the product there with the growers and getting someone to operate those facilities. Which has largely been done, so far, through Cornell Cooperative Extension.

ASSEMBLYMAN O'DONNELL: So I'm concerned about moving that out of your jurisdiction. I mean, the economic development is the place where things are sent so we can no longer find out what goes on.

And that's what my experience is, and I am troubled by the constantly moving things that are important that are working into someone else's pool so they get to play with the money, rather than the Legislature getting to do its job. That's just a commentary.

The State Fair. I went a couple of years ago, I had a great time. I'd never

been there before. I mean, for a Long Island kid, the State Fair is kind of far away. I went for Gay Day. It was a lot of fun. They had a marching band and a parade.

And all I want to say is I'm happy capital money is being put in. I think you need to get to work with the tourism folks because LGBT tourism is a billion-dollar industry.

COMMISSIONER BALL: Billion, with a B?

ASSEMBLYMAN O'DONNELL: Billion. Okay? And so they like to show up at things. And so if you can really amp that up, you may actually get more people at the State Fair for whenever those events are. And I'd be more than happy to assist you with drag queens and other things should you need to do that to make Gay Day a more popular destination. Thank you.

COMMISSIONER BALL: Thanks for the offer. Appreciate it.

CHAIRWOMAN KRUEGER: Senator Ortt.

SENATOR ORTT: Good afternoon, Commissioner.

Changing gears -- I only have five minutes, so I'm going to ask both my questions, and then I would just ask that you answer them in whatever order you would like.

One is -- and we've talked about this briefly in my office, but I would like to ask you and get your answer before the committee here on the record -- if you can provide just an update on the Wage Board, specifically, the component of the Farm Fair Labor Act last year, and where the department is with the rollout of that law. Because obviously there's a significant impact to the budgets of a lot of our farmers, as you well know.

And then the other question I had, under the Governor's proposed recreational marijuana plan, who would be able to grow -- and, you know, there's always been a concern that if the state decided who it would be, it would be limited and that it would be basically replacing Big Tobacco with Big Corporate Marijuana, so to speak, and that there wouldn't be an opportunity for small family farms -- which make up the bulk of my

district -- to, you know, be able to be a part of whatever comes out of this process.

So if you could comment on that as well.

COMMISSIONER BALL: Sure. I'll tackle that one first since it's right in front of my mind.

Technically, who would be responsible for that would be initially Department of Health and then the Office of Cannabis Management, which is the ultimate end goal, I think, of the Governor.

So I'll just -- in talking about that, the Governor pulled together all of the agencies that had any piece, any interest in adult use marijuana, medical, however it was. So I'm talking, you know, the State Police, Ag & Markets, Health, but also the Office of Child and Family Services and Addiction. So there was quite a gang of us around the table.

And the charge to all of us was how to -- if New York was going to go down this route, let's make sure we think of every

perspective from every agency about how this would work properly. So having said that it would be the responsibility of the Department of Health and the responsibility of the Office of Cannabis Management, ultimately, we all will have input into how that happens, how that happens in the neighborhood.

And from my standpoint, making sure this is an opportunity for our growers, not just foreign growers or foreign suppliers, but for New York State growers, is going to be on the top of my list.

With regards to the Wage Board, that is up to the Commissioner of Labor to decide the third person on the Wage Board. In the current law as it stands, that happens very soon, in March. We talk daily. It is her decision. We have great input there, we have a great conversation, and getting this right is important to her, it's important to me, it's important to the Governor's office as well.

So I really don't know the answer. I can't give you an answer today about the

Wage Board except to say that it's of great sensitivity to the grower community and to us.

SENATOR ORTT: Do you see it -- is it on-track to make a determination in March?

COMMISSIONER BALL: I'm very satisfied with the conversations that we're having at this point.

SENATOR ORTT: And so on the other question on the -- so obviously I guess my take-away, though, is that as of right now, we don't have the final details on who would be able to be growing or not growing -- we don't have those specifics, is that a fair --

COMMISSIONER BALL: That's correct, yes.

SENATOR ORTT: Okay. Thank you very much, Commissioner.

COMMISSIONER BALL: Thank you.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: Assemblywoman Woerner.

ASSEMBLYWOMAN WOERNER: Thank you.

Commissioner, always a pleasure to see you.

COMMISSIONER BALL: Great to see you, thank you.

ASSEMBLYWOMAN WOERNER: I have a number of questions. I'll go through them one at a time, though.

The first one is related to farmland conservation, I notice that there's a slight decrease in the amount of money allocated to farmland conservation. And I'm just curious in terms of is there -- it was such a small decrease that I'm just curious whether that's a sign that you're seeing less of a demand for farmland conservation or it was a budget-balancing activity.

COMMISSIONER BALL: Yeah, there's not less demand at all.

And I think -- I don't see this as a retreat. Please don't see that as a retreat either. We actually had substantial increases last year. We've consistently been at this level. I'm confident we'll stay in this neighborhood. We've got some

reappropriations that I'm comfortable with.

And if you look back -- lift a layer up, the Dairy Transitions Program was, you know, a great addition to farmland preservation. We put out $30 million and then put out a second round. And we also added an additional non-dairy round for other farms that were affected by trade, the economy, debt, things of that nature, to open it up to a broader audience, $14 million.

So I think we still take farmland preservation very seriously in New York State.

ASSEMBLYWOMAN WOERNER: Okay, thank you.

When we were here in October or November for the budget oversight hearing, the Cornell veterinarian highlighted that Salmonella Dublin is still a critical threat to the dairy herds. And I notice that in the Executive Budget Salmonella Dublin is not included in what the Executive Budget funds.

Again, is that -- is the state's veterinarian in concurrence with Cornell's

veterinarian that we do need to fund the Salmonella Dublin work, or is there some disagreement about that?

COMMISSIONER BALL: No, we're going to need your help on that one. That's a critically important issue from my perspective. I think we did well with the Executive Budget to get everything funded that we did, but we're going to need some help from the Assembly and the Senate to get everything across the finish line. It is a partnership and a process, and, you know, it's a great point.

That diagnostic lab at Cornell is one of the best in the country, and Dr. Elvinger works very closely with Dr. Smith. And they're both, in my estimation, the top two.

ASSEMBLYWOMAN WOERNER: Great, thank you.

I notice that the Taste of NY funding, which last year was 1.1 million, and the agriculture economic development promotion dollars, which were I think a million dollars last year, those two line items appear to

have been combined into a single appropriation for agriculture promotion. Is that -- am I correct in understanding that?

COMMISSIONER BALL: I don't think so. Am I missing something? Did we just simply -- we had some funding for Taste, for example, at ESD last year. We had 1.1 on our line. That's been moved to ESD. They have the wallet, and that made sense, they're still the funder.

ASSEMBLYWOMAN WOERNER: Okay. So we're then increasing the appropriation for promotion?

COMMISSIONER BALL: For Grow-NY?

ASSEMBLYWOMAN WOERNER: Well, I'm looking at the one that says services and expenses of programs to promote agriculture economic development.

COMMISSIONER BALL: Okay. That's Grow-NY.

ASSEMBLYWOMAN WOERNER: Okay.

COMMISSIONER BALL: So Grow-NY is a fund that we've been managing for many years that helps in off-cycles between budgets. We

were able to accomplish some things with that.

For example, when we learned that federally the SNAP benefit for farmers market nutrition coupons would no longer function with software, we stepped in and filled that gap for the whole country, actually.

Vital Brooklyn was funded out of that pot of money. A number of things that we do at the department to get us through a budget cycle. It's not something we need to appropriate every year; it carries us for typically several sessions. But when we have a --

ASSEMBLYWOMAN WOERNER: We need an extra million in that fund?

COMMISSIONER BALL: Yes. Yeah. To replace what we've spent.

ASSEMBLYWOMAN WOERNER: Okay. And then my last question has to do with the on-farm health and safety program administered by Mary Imogene Bassett Hospital.

That used to be tractor rollover. And

what's -- tractor rollover has -- is not there, but now we have on-farm health and safety programs. Can you tell me what you envision there?

COMMISSIONER BALL: Yeah, it's just a bigger scope right there. That's NYCAM. We work particularly closely with NYCAM, they're the leaders in the country, as far as I'm concerned, in on-farm health and training for farmers, training for farmworkers, fitting of respirators and the rollover project is under there. We're just making it a bigger program.

ASSEMBLYWOMAN WOERNER: Okay. Great, thank you so much.

COMMISSIONER BALL: Oh, gosh, thank you.

CHAIRWOMAN WEINSTEIN: Senate?

CHAIRWOMAN KRUEGER: Thank you.

Hi, Commissioner. Just a couple of questions.

So I like the State Fair also. I had a great time this summer. Will you please stop telling those children they can get the

pigs to go in a straight line? It doesn't matter how many hours they try to get them in a straight line, they're just not going to do it.

(Laughter.)

CHAIRWOMAN KRUEGER: It was quite amusing to me to watch that.

But that wasn't my really serious question. So we know that we are a state of small family farms and we have been losing them over the years. Are we steady now, are we continuing to lose? Are we actually seeing anyone new coming into farming? Where is the future going?

COMMISSIONER BALL: If you look at the national ag statistics numbers, I don't think there's anything that leapt off the page at me that we didn't see coming. We know that farms tend to be getting a little bit larger in size. We know that many -- actually, statistically, about 23 percent of our farms do not have a next generation identified on the farm.

And we further know that with regards

to the recent trade challenges between the United States and our foreign consumers -- China and Mexico, Canada and European Union, to name a few specifics -- we lost 3,000 dairy farms in the U.S. in 2018 because of those trade issues, period.

So we're seeing some right-sizing, I think. We have -- that's a challenge. On the other hand, I see a huge interest in agriculture. I've been able to speak to groups at SUNY Cobleskill and SUNY Morrisville and Cornell. The number of young people interested in agriculture is amazing.

And I was talking this morning with a group. You know, 1 percent of us are engaged in production agriculture in the country. In New York, 1 percent of us feed the other 99 percent. But if you think about the food system, we think a little bigger. We think about logistics, transportation, food safety, blockchain technology, drone technology. Then suddenly we're talking about 23 percent of the jobs in the country. Suddenly you're talking about 43 million people that work in

the food system. And suddenly we're not a minority. Suddenly we're thinking a little bit differently.

So I think identifying, in my mind, as I get around farms in the state, I see we don't have enough workers on the farms. I see we don't have enough middle management, enough senior management, enough young ownership in our food and beverage processing industries, dairy plants. We need more skills. So I think our challenge really, then, is to connect career paths in the food system to not just college kids, where we do a great job of educating them when we get them to Cornell or our land grant system, but in junior high school, grade school, connecting the dots towards a defined career path that will bring you to an opportunity.

So having said all of that, I'm excited about the number of small farms. I see that growing. I'm excited about the number of women on farms. And frankly, that's only because nationally they figured out how to count women. They have been on

farms, but now we're getting credit for that.

I see the number of Hispanic farmers growing. One I'm very concerned about and we highlighted it in the Governor's State of the State and budget, is minorities on farms, particularly black farmers. And so we're going to put together a workgroup to increase the diversity and the opportunities for them to be involved in agriculture. We have nationally, unfortunately, a checkered past with regards to federal programs that have actually worked to their detriment. But we've already been listening, we've already had several meetings with farmers in those categories, and I'm excited about working together. And we will probably reach out to you for some help.

CHAIRWOMAN KRUEGER: Thank you.

So I was reading a report that said that because of the trade policies of the Trump administration, there had been real harm done to farms, but that programs of the USDA that apparently didn't even go through Congress doubled the amount that American

farms were getting compared to what they've lost. So they were getting two for one from the federal government for dollars they lost in being able to sell because of our foreign trade policies.

Are we seeing any of those wins in New York? Even though personally that's not how I would like to see agriculture economics growing, with non-proven, non even perhaps legal federal subsidy programs. Are we getting our share of what apparently Washington is currently handing out all over the place?

COMMISSIONER BALL: I'm going to give a thoughtful answer, I hope. No, we're not getting our share.

And I would say frankly, from the New York growers' standpoint, and I suspect nationally, farmers would much rather have a customer than a subsidy from taxpayers --

CHAIRWOMAN KRUEGER: I agree.

COMMISSIONER BALL: -- because they lost a customer.

So particularly with regards to us in

New York, Canada and Mexico, Mexico buys 25 percent of our dairy exports and Canada is our biggest trading partner. And China occupies the headlines in all of this because they're so large. But for us in New York, what we do in trade with Canada and Mexico dwarfs what we do with China.

So building a relationship with another country, with a buyer in another country, takes many years in just that, the building of a relationship. And when it's severed, many times it's hard to put that back together again because they find other sources, and so you're cultivating relationships and beginning anew.

We would much rather have the customers than the small amount of trade mitigation money. By and large the largest portion of the trade mitigation money -- we've seen two rounds, they're talking about a third round -- went to five states in the Midwest, largely to commodity crops.

We saw some in dairy here, and it was helpful. But at a time when they were losing

a dollar a hundredweight because of the trade challenges, they were getting back about 11 cents. So clearly, much better to have the customer than have a small amount of return.

So this is something that's ongoing, and I think being able to be involved and represent New York State at the tri-national accord, since I've been commissioner, where those conversations happen about ironing out so-called irritants between the countries -- tariffs, et cetera -- I feel like the new USMCA program is a step forward for agriculture and fixes some of the challenges that NAFTA had for us in agriculture. So I think optimistically, with that regard, agriculture, in mind, I think that's a step forward. The sooner it gets ratified and implemented and we get rid of those tariffs, the better off we're going to be.

CHAIRWOMAN KRUEGER: Thank you.

Assembly?

CHAIRWOMAN WEINSTEIN: Assemblywoman Glick.

COMMISSIONER BALL: Hi.

ASSEMBLYWOMAN GLICK: Hi, Commissioner.

COMMISSIONER BALL: Great to see you.

ASSEMBLYWOMAN GLICK: Good to see you.

I think you said that there are some areas in which we're seeing some new forms coming on board. Are they in a particular sector? Are they doing more vegetables rather than dairy, or is there a mix?

COMMISSIONER BALL: I think dairy is in a rightsizing. We are seeing, you know, a lot of farmers exit because of the impact of four very difficult years for them, and perhaps not another generation there. But there's still optimism in dairy, there's still young people starting out in dairy.

But I think the largest growth we've seen is in small farms and vegetables, small fruits, the farm-to-table movement, the growth of CSAs, farmer markets, those kinds of things. It's a sober market, it's a mature market, but there's optimism there. And we're seeing innovative niche marketing

happening in a lot of places.

ASSEMBLYWOMAN GLICK: Green markets in New York City, is that a program that the department interfaces with the city on, and is there expansion? Ten years ago we had one big market; now we've got, in my district, three. The biggest one is actually there Monday, Wednesday, Friday and Saturday; that's at Union Square. That's the biggest one. But we now have one down in Tribeca on the weekend and one in the West Village on the weekend, and I think there's a small one by City Hall, which is also in my district, during the week.

So I'm just wondering, is that something that either Taste of NY or Grow is interfacing with to help the city figure out who they can connect with to expand the offerings at these markets?

COMMISSIONER BALL: Yeah, that's been a -- you know, we've got more farmers' markets in New York than anywhere in the country. So that's not going to change, I don't think. It's going to adjust itself a

little bit, but I think we have over 150 in New York City.

So we work very closely with GrowNYC; they're the largest manager of farmers' markets in New York City. There are other groups that manage farmers' markets there. But I see that as a very direct-to-consumer, exciting -- it's very good for those growers, who are largely not really large growers but, you know, family farms doing a good job there.

Grown & Certified I think is a way to highlight, you know, what they're doing and add more clarity to that. At the same time we're seeing growth in aggregators, not just CSAs, not just farmers' markets. We're seeing growth in food boxes, people interested in -- this is a particular interest of ours at the Department of Health, Department of Agriculture, is we have neighborhoods that don't have farmers' markets or even grocery stores -- South Bronx, for example. Ironically, home to the Hunts Point market, the biggest terminal

market in the world. But people there don't have access to all the things that we grow.

So we're actually putting a shovel in the ground this spring on a 120,000-square-foot food hub in the South Bronx, to be that place where New York product can be distributed through food boxes with GrowNYC's help, and get to some of those other neighborhoods.

As you know, every borough in New York is bigger than any city we have upstate. And so figuring out how to distribute the food, get it to the people who want it -- the good news is that there's more interest in New York food today. The Grown & Certified program is highlighting good things about New York agriculture, and people want to find it. And so I think we're driving people to those markets.

So this past December, I was in New York City at the Javits Center. I cut the ribbon on the largest -- second-largest produce show in the country. We had the biggest presence of buyers from all over the

world and the biggest presence of growers from New York ever. And -- so there's not just one avenue for this, there's many avenues. But I see it growing.

ASSEMBLYWOMAN GLICK: Just quickly, there continues to be the concern, obviously, of having to deal with pests and therefore pesticides, but also the damage to the bee and pollinator. What's the position of the department on how those are balanced? There are some types of pesticides that seem to be disrupting pollinators more than others.

COMMISSIONER BALL: I got a chance as commissioner to go to Washington a few years ago, for my first trip there, and I met with EPA and I met with the administration at that time about pollinator plans and how we correctly deal with the challenge in pollinators that the whole country and the whole world is seeing. And came back and talked to the commissioner at DEC, and together we cochaired a pollinator workgroup, because we wanted to dive into this.

There was a lot of knee-jerk reactions

to the challenges of pollinators -- you know, ban this, ban that, stop doing this, stop doing that. But we actually assembled quite a group of people from all the communities, environmental groups, grower groups, and decided that in New York we would dive into this problem in a big way. We created a pollinator task force, we created a pollinator plan for New York State, what's going on in New York State.

So half a million dollars from New York State went to -- through us -- 300,000 to Cornell to establish a tech team to actually dive into what is the issue. We know we have forage issues, we know we have pesticide issues, we know we have insect virus stress, climate change issues. What is it that's going on here?

And they're doing great work, we've learned great things. And we've been able to identify -- it's not as simple as banning a particular pesticide -- as a matter of fact, I would say very calmly and with great confidence that public enemy number one for

pollinators is the Varroa mite, which is growing like crazy.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: We have Assemblyman Jones.

ASSEMBLYMAN JONES: Commissioner, how are you.

COMMISSIONER BALL: Assemblyman, good to see you.

ASSEMBLYMAN JONES: Good to see you again. I'm sure it's good to see me as well, yes.

(Laughter.)

ASSEMBLYMAN JONES: He says that with a little bit of a smirk, but we're actually very good friends, and I thank you for everything that you've done for the farming industry.

A few things as regarding the budget, some things that weren't in there. And I'm going to go in particular with our dairy farmers. And I'm going to make a statement, and I want you to elaborate on what is in

this budget in particular to help our dairy farmers. Because for reasons that you've stated, and we've all stated in the past, they're really suffering right now. We have this new farm labor bill that's putting the crunch on more and more of our dairy farmers, our farmers all over, but in particular dairy as well.

What do you see here in the budget that will be of a benefit to our dairy farmers? I know we've talked about the USMCA agreement, and although that's an encouraging sign for our dairy industry, I think everyone can agree that it's not going to be a total fix-all.

Also, there are other areas we're talking about. Even in our own state we're not expanding markets for milk and dairy products. When we talk about flavored bans in New York City and other areas of the state, I honestly can't understand that, but that's another issue that I would ask your department to help us out with as well.

But what do you see in this budget,

moving forward, in particular that helps our dairy farmers and helps the dairy industry?

COMMISSIONER BALL: Well, thanks for that question. That's a big question, of course. That's more than a five-minute job, but I'll do my best.

First of all, with USMCA, we are fixing the Class 6/Class 7 challenge with Canada. That's going to enable dry powder to be sold fairly around the world, and currently they've been undercutting us in a very difficult way. Probably Class 6/Class 7 pricing instituted by Canada a few years ago affected probably $60 million of milk, over 300 trailerloads that went in that direction, which is not going there now. So that's big.

A couple of things. As you know, we have a Milk Marketing Advisory Council. It's our dairy cooperatives, Cornell University with their dairy economists, dairy farmers. And we're in the same room, and we throw all these issues out and say what can we do.

A couple of things we're focusing on. One is Farm to School and school milk. In

the budget, you know, we have the No Student Goes Hungry program, the Farm to School programs. But we officially recognize, this year, NY Thursdays. We started this program in New York City school food, 1200 schools in New York City, where we celebrate what's on the plate from New York.

And so we're pulling together a group, very successful, every Thursday they celebrate New York -- obviously, the question is why not Friday, why not Monday, why not Tuesday. But we're taking this around the state, pulling together a group to look at projects that will increase the share of New York products, particularly dairy, in our schools.

We're going to put a pilot program out about getting rid of the half-pints that you and I grew up with -- very little imagination in the creation of that half-pint; looks pretty much the same as it did when we were in school -- and looking at bulk milk dispensers, keeping it colder, keeping it fresher, saving money for the schools, things

like that.

So school milk and getting more school milk, not less school milk. We've seen a decline in fluid milk consumption. So I think that's, you know, something we're going to continue to look at.

We still continue to work with Empire State Development on our processing plants. We're doing a good job with cheese, we're doing a good job with yogurt, we're doing a good job with cottage cheese, et cetera. So as our plants age in New York, we need to continue to upgrade them, keep them competitive. So those are things we look at with both the Dairy Promotion Order Board and our partners at Empire State Development, and we've been able to put $50 million into dairy plants in the last two years.

ASSEMBLYMAN JONES: I would -- I have to put a plug in for a few programs that I didn't see in the budget.

COMMISSIONER BALL: Okay.

ASSEMBLYMAN JONES: One, the Northern New York Agricultural Development Program,

helps farmers, helps all farmers and dairy farmers as well, with the best land practices, helps them operate in the most efficient manner possible now. So I have to put in a plug for that program.

COMMISSIONER BALL: Great program.

ASSEMBLYMAN JONES: And I will say, going back to the flavored milk ban, I think I can name 1,000 things right now that are worse for our children than flavored milk. I cannot see that that is a good thing. It's certainly not a good thing for the dairy industry. And chocolate milk actually is good for our kids. Thank you.

CHAIRWOMAN WEINSTEIN: Senate?

CHAIRWOMAN KRUEGER: Thank you.

We have one additional Senator, Senator Ritchie, who showed up just in time to ask you a question, Commissioner Ball.

COMMISSIONER BALL: Senator.

SENATOR RITCHIE: Good afternoon, Commissioner.

I just wanted to follow up on Assemblyman Jones's question on Northern

New York Ag Development. That and Harvest NY are two programs that have really helped the North Country and two programs that were not funded. So I'm just wondering, in the final hours, if you and your department will be looking for some kind of regional balance to make sure, at a time when our farmers are just hanging on, to make sure those programs like Northern New York Ag Development and Harvest NY are somehow included in the final budget.

COMMISSIONER BALL: You bet. Let's continue that conversation. Look forward to working with both of you to get those in there, absolutely. Good programs.

SENATOR RITCHIE: Thank you.

CHAIRWOMAN KRUEGER: Thank you. Assemblymember.

CHAIRWOMAN WEINSTEIN: Assemblyman Palmesano.

ASSEMBLYMAN PALMESANO: Thank you, Commissioner, for being here. Sorry, I didn't mean to startle you.

A number of us have cited a lot of

concerns with the Farm Labor Act that was passed last year, the impact it's going to have on our agricultural community, especially those of us who represent rural upstate areas. I know it's still kind of early, but are you getting any initial feedback with the 60 hours overtime and the impact that's already having on our agricultural community whatsoever?

COMMISSIONER BALL: We had, as you know, as this was being contemplated in the last session, I think we saw a tremendous effort by the entire agricultural community. They pulled themselves together, the veg growers, the fruit growers, dairy farmers, Farm Bureau, into Grow-NY.

They lobbied all of you, and we spent a lot of time together. And I think they got comfortable with the notion of an overtime at 60 hours, they got comfortable with the idea of some of the other issues that were coming forward in that bill. They're uncomfortable with some of the last-minute changes to the bill and some of the language issues. But by

and large I think the industry benefited from coming together and having those real conversations with all of you.

We continue to have conversations with the Department of Labor and the Governor's office and the industry. I'm encouraged that we're going to get the details of this correct.

ASSEMBLYMAN PALMESANO: I was encouraged you're saying that you have consistent input with the Department of Labor commissioner relative to the Farm Labor Wage Board. Do you expect that to continue as we move forward in more of an official -- will they have hearings, as far as the department actually testifying, or will it be more just a consulting with them along the way?

COMMISSIONER BALL: I think we've cultivated an excellent relationship there, and I just can't see in the crystal ball, you know, what the exact details are going to be like, but I know that our opinions are welcome and we're going to continue to work towards getting this right.

ASSEMBLYMAN PALMESANO: Commissioner, as you know, agriculture is the number-one industry in our state. Ninety-eight percent of the farms in New York State are family-owned farms. Over the past five years, we lost 20 percent of our dairy farms. Farm labor costs as a percentage of that farming continues to be a very big challenge for our agriculture community.

Even prior -- before passing the minimum wage bill several years ago, farm labor costs as a percentage of net farm income in the country was 36 percent, but in New York State it was 63 percent. And we've continued to see net farm income decline as farm labor costs rise and then with the legislation we passed.

Obviously -- you have to agree that obviously New York State is at a very competitive disadvantage to our neighboring states who don't have the regulations and challenges that we have. And when you throw into play the property tax burden, especially the proposal the Governor has made this year,

in his budget this year, which would look to shift Medicaid costs to counties and lifting that cap, which would be a devastating burden to our agricultural community, to our farmers, as property taxes are a very high cost to our agricultural community -- as my colleague mentioned, what do you see bold -- is there anything bold coming from the administration, from the Governor that's going to help our agricultural community? Because all's I see is things that continue to hurt our agriculture industry.

And I know many of my colleagues are very supportive of this, I get it. The only thing I want to just reiterate, with no farms --

COMMISSIONER BALL: No food.

ASSEMBLYMAN PALMESANO: -- there's no farm labor. With no farms, there's no food. And I just wish we could be really cognizant of that and see some more bold policies, because I am concerned with what's happened over the past few years.

And, again, the Governor's proposal on

the Medicaid issue that will lift that cap and shift that cost directly to counties, which is going to be borne by the property tax burden, which will be devastating to the agricultural community and our farmers as well, our family farmers, 98 percent of which are family-owned farms.

I just wonder if you have any comments on that.

COMMISSIONER BALL: Well, obviously I live in a rural community, and so rural development is a personal issue for us. Agriculture occupies all the space in rural communities, so.

I understand your concerns. I can't speak too directly to the Medicaid issues, other than there is a need for the local people to be involved in the whole process, not just the state. So I think that's the effort and the point of the Governor's Medicaid re-look there.

With regards to the agricultural industry, I think, you know, our job is to look at connecting the dots. You know, we

have some of the best growers in the country in New York State. We have the best land grant system for education in agriculture in the country. We have water. We've got good land, good resources, and we have the biggest marketplace in the world. So most of my efforts are going to be directed at how do we advantage our farmers, in a challenging economy and a mature market, to take full advantage of it.

And I'm excited about this year. I know there's a lot of things to worry about, but I still personally would not farm anywhere else in the country.

ASSEMBLYMAN PALMESANO: Thank you, Commissioner, for what you do. Appreciate it.

CHAIRWOMAN KRUEGER: Thank you, Commissioner Ball. Thank you for being with us here today. This is the end of our questioning of you.

COMMISSIONER BALL: I was just getting warmed up.

CHAIRWOMAN KRUEGER: It doesn't mean

you won't get follow-up questions from every member here, and you'll be happy to answer them, I'm sure.

I'm going to call up together, as a panel, the New York State Public Service Commission, Chair John Rhodes, and NYSERDA, Alicia Barton, president and CEO, because we've decided that the kinds of questions that will be asked pretty much go to both of you, and that way you will each be able to testify and then, when questions come at you, you'll figure out who's the best person to answer.

(Discussion off the record.)

CHAIRWOMAN KRUEGER: Good afternoon.

Since we called you up as a panel, you can flip a coin to decide which of you wishes to testify first.

PSC CHAIR RHODES: Do you want to go?

NYSERDA PRESIDENT BARTON: Sure, I'd be happy to.

CHAIRWOMAN KRUEGER: Okay. Make sure that the microphone is turned on, and get it as close as you can. Because unfortunately

the microphone system sort of fades in and out in here, so sometimes we're having trouble understanding the people -- and sometimes people are having trouble understanding us. So we're doing our best with trying to adjust it.

NYSERDA PRESIDENT BARTON: How do I sound?

CHAIRWOMAN KRUEGER: I think that's good. Great.

NYSERDA PRESIDENT BARTON: Let me know if I need to adjust.

And -- well, good afternoon, Chair Krueger, Chair Weinstein, all the members of the committees. Thank you for the opportunity to be here today. And I know you're focused on keeping opening remarks brief, and I'll be sure to do that.

Again, I'm Alicia Barton, president and CEO of NYSERDA, and I look forward to continuing to work with the Legislature on the many critical climate and energy issues facing our state and nation.

Governor Cuomo's unprecedented

commitment to fighting climate change has fundamentally reshaped how we think about the climate crisis in New York. We have set our sights on long-term targets to decarbonize our economy, coupled with immediate actions to tackle climate change and grow a clean energy economy.

The Executive Budget will continue New York's record as the most aggressive climate leader in the nation through a $33 billion, five-year plan to tackle climate change head-on. As you know, the Climate Leadership and Community Protection Act is now our law of the land, and it sets the standard for other states to follow. The act codifies Governor Cuomo's nation-leading targets, including a major ramp-up of renewable energy and a mandate to dramatically reduce emissions.

Thank you for your partnership in putting New York on this path, which will drive continued investment and clean energy and ensure that the benefits of clean energy accrue to disadvantaged communities, create

tens of thousands of new jobs, improve public health and the environment, and attract billions of dollars in private investment.

NYSERDA is already rapidly advancing the pathways that will grow our clean energy economy in every region of the state. For example, critical to achieving our 70 percent renewable energy goal is the development of 9,000 megawatts of offshore wind, which will generate clean energy while creating a once-in-a-generation new industry that will generate economic benefits throughout the state.

Our work took a giant step forward last year with the announcement of NYSERDA's first offshore wind awards that will generate nearly 1700 megawatts of clean renewable electricity and represent the nation's largest offshore wind awards to date. During this year's State of the State address, Governor Cuomo announced that NYSERDA will issue its second solicitation for offshore wind in 2020, which is expected to yield an additional 1,000 megawatts of clean power.

On land, NYSERDA's work to advance New York's renewable energy market continues to grow, with over 2700 megawatts of solar, wind and storage installed since 2011 and more than 6,000 megawatts contracted and under development. The Governor recently announced that NYSERDA has selected an additional 21 large-scale renewable projects for contracts, which will create over 2,000 short- and long-term jobs.

In total, NYSERDA has now awarded contracts to 67 land-based wind and solar projects, creating $9.5 billion in direct investment all over the state. Through pilot and host community agreements, these projects will also directly benefit host communities upstate and downstate.

But we also acknowledge that we must accelerate our progress towards getting these projects built. As the Governor stated in his 2021 budget address, we can and will do better when it comes to construction timelines for renewable energy projects. We are committed to not only setting goals but

to actually achieving them and achieving them faster than any other state.

We have made great progress on distributed solar. Our NY-Sun program has made New York a national leader, and 2019 was our most productive year yet. We are well on our way to achieving our target of 6,000 megawatts, and we recently crossed the 2,000-megawatt mark for installed projects. Since 2011, NY-Sun has spurred incredible growth while cutting the costs of solar in half, leveraging $4 billion in private investment, and creating nearly 12,000 jobs.

We are similarly proud of our work to support the increased deployment of energy efficiency and clean heating and cooling solutions, and NYSERDA plans to invest approximately $200 million to complement utility incentive programs and create a statewide clean heating and cooling market framework. This initiative will save consumers more than $13 billion on energy bills and reduce 3 million metric tons of carbon pollution. We will also commit to an

additional $30 million for heat pumps for low- and moderate-income New Yorkers to help ensure healthy and affordable energy solutions for those New Yorkers.

Finally, we must continue to address emissions from the transportation sector, which is the largest producer of greenhouse gas emissions in our state. In the State of the State, the Governor announced that we will convene a blue ribbon task force to grow the electric vehicle sector. This will complement NYSERDA's Drive Clean rebate program and the state's Charge Ready program as critical components to transform our transportation sector.

So as you can see, clean energy is already increasing on a rapid trajectory across our state. The Executive Budget recommends up to $22.7 million for NYSERDA to support critical research and development and new clean energy businesses. This funding also supports the state's energy planning functions, such as the state greenhouse gas inventory and other purposes authorized in

the enabling legislation.

In conclusion, I am extraordinarily proud of NYSERDA's leadership in advancing clean energy solutions on behalf of the Governor and on behalf of the people of this great state. We know the nation and the world will be watching, and our actions will serve to cement New York's position as a leader in clean energy, environmental protection, and the fight against climate change.

This concludes my opening remarks. Thank you very much.

CHAIRWOMAN KRUEGER: Thank you.

Now John Rhodes will testify, and then we will ask you both questions together.

PSC CHAIR RHODES: Well, thank you.

Good afternoon, Chair Krueger, Chair Weinstein, and other distinguished members. My name is John Rhodes, and I am CEO of the Department of Public Service and chair of the Public Service Commission.

The commission's jurisdiction extends over investor-owned utilities, including six

major electric/gas utilities, five major gas utilities, and three major private water companies. It also has jurisdiction over small telephone companies, hundreds of water companies, municipal electric utilities, cable companies, power generators and energy service companies. The department, which is the staff arm of the commission, also provides regulatory oversight and review of LIPA and its service provider PSEG-Long Island.

Our top priorities in fiscal year '20-'21 include continuing Governor Cuomo's nation-leading climate plan, which includes a mandate for a carbon-free electric system; modernizing our utility systems; and ensuring affordable energy for all New Yorkers, especially for our most vulnerable citizens. This plan is putting the state on a path to economy-wide carbon neutrality.

This year the commission expects to decide several major rate cases. This important review will be informed by the in-depth analysis of department professional

staff, including engineers, accountants, economists, and analysts, to ensure a clear and transparent assessment of the benefits and costs of utility investments. It's our job, and I can't stress this enough, to protect customers over the short and the long term, and thus ensure safe and reliable service at just and reasonable rates while protecting the environment.

The recent Con Ed decision provides a good example of this process. In that decision, backed by strong stakeholder support, the commission significantly reduced the original rate request, protected low-income consumers, strengthened energy efficiency efforts, and advanced important climate change initiatives, and ensured stronger enforcement of the liability commitments.

There are many issues that will be addressed by the department in the coming fiscal year. Reliability is paramount. The department's investigation into last summer's Con Ed service interruptions in Manhattan and

Brooklyn that left more than 106,000 electric customers without power is nearing completion. If we determine that Con Ed failed to provide safe and adequate service, we will hold their shareholders responsible to compensate customers.

Since we last met, the department has created two new offices to focus on emergency preparedness and regulatory enforcement. Given past experiences of severe-weather events and their impact on the electric system, the commission established the Office of Resiliency and Emergency Preparedness, dedicated to ensuring that the state's utilities prepare for and respond appropriately to severe weather and other emergency events.

The department has also added a new Enforcement Unit dedicated to ensuring compliance with the Public Service Law and regulations. These efforts have borne fruit. Last month, the department secured a $10.5 million settlement with New York State Electric & Gas Corp. and Rochester Gas &

Electric Corp., following those companies' failures to adequately prepare for and restore service after storms in 2018, our largest ever for a utility failing to follow procedures related to an emergency response.

At my direction, department staff will build on our landmark energy affordability proceeding to ensure that we reach every New Yorker in need. This initiative today provides nearly 2 million low-income New Yorkers with $248 million in direct cost relief each year, and limits energy costs for low-income New Yorkers to no more than 6 percent of household income -- half of what many of these New Yorkers had been paying.

We will build on the state's success in driving record investment in large-scale renewable energy development by working with NYSERDA to obtain at least 9 gigawatts of offshore wind power and continue the annual Renewable Energy Standard solicitations for onshore resources to achieve the 70 percent renewable electricity by 2030 and 100 percent clean electricity by 2040 goals that are

mandated by the CLCPA.

As called for in the Governor's State of the State proposal, the department, in conjunction with the Department of State, will develop new rules to make clear what regulated telecom companies need to do to ensure consumers using landline phones are not harassed by robocalls. These new rules will include penalties for landline phone companies that fail to protect consumers from this scourge.

In the telecom sector, we continue to focus on infrastructure modernization and oversee investment in broadband buildout to help achieve Governor Cuomo's vision for universally available high-speed broadband.

We are positioned to deliver on our core mission and to meet the Governor's ambitious agenda.

This concludes my remarks. I welcome your questions.

CHAIRWOMAN KRUEGER: Thank you.

All right. Senator Todd Kaminsky.

SENATOR KAMINSKY: Thank you.

Chairman Rhodes, I'd like to first direct your attention to a critical issue on Long Island -- that is American Water. American Water has failed the customers on Long Island who have seen skyrocketing bills and, in comparison to those receiving municipal water sometimes down the block or in the next town, find it incomprehensible that the Public Service Commission approved rate hikes so high, especially without the information to let them know when a certain amount of water they're using will trigger a much higher rate.

People are incredulous, they're dumfounded, and they want to know how this could be -- especially since in many cases the water is still brown, still causes lots of problems for them, and they're having a really difficult time with this company. Some have suggested municipalization; others want to know whether Liberty, the new company coming in, is going to do any better.

But I would like to begin with you and to just ask whether the Public Service

Commission, which you chair, wants to show an interest in providing relief and helping the customers on Long Island who are beleaguered by American Water.

PSC CHAIR RHODES: Absolutely. That's our mission. We agree with you that the experience over the past couple of years has been not what it needs to be. And we've been working with the company to make things better.

That said, the proposed acquisition that you mention of American Water's assets in New York by Liberty, presents an opportunity for a reset. A transaction of that nature has to be approved by the Public Service Commission to go forward. The standard for us to say yes is, is it in the public interest? The parameters of what the public interest looks like are pretty clear from the facts that you know. They have to include better rates for customers. They have to include better engagement with customers, just the interaction with the utility. They have to include preservation

of the conservation policy, which we think are -- which we know are important long-term.

And you mentioned information. Clearly there's a need, if we're going to have customers be able to manage their water bills and usage, they need an information infrastructure, advanced water metering. And we expect this transaction to be an opportunity to reset things in those directions.

You mentioned municipalization. Should I go there for a minute or --

SENATOR KAMINSKY: Look, I -- if you'd like, of course. Look, I'm certainly heartened to hear that you want to be part of the solution in helping give people financial relief who have been, you know, the victims of American Water practices. So that's certainly good to hear.

PSC CHAIR RHODES: So on municipalization, we don't take a position on specific situations like this. We simply note that these are questions that come up from time to time. They're complicated. And

the one thing we do urge is that there's a carefully study of the costs and the benefits of such a move. And to the extent that there's -- whatever technical assistance that we can contribute, of course we'll do that.

SENATOR KAMINSKY: Okay. Well, I look forward to working with you on this. The days of seniors receiving $250, $300 water bills on -- who have fixed incomes -- needs to be behind us. And I'm heartened by your words today, and I'll hold you to it, and I look forward to working with you on this.

PSC CHAIR RHODES: Thank you, sir.

SENATOR KAMINSKY: I'd like to now turn to the issue of the Long Island Power Authority tax certiorari proceedings, especially with the community I represent, Island Park, with respect to the Barrett Power Plant. The deal that LIPA has on the table now I think would be devastating to the residents. It would skyrocket their school taxes and leave their community in an extremely crippled position after having been exposed to this polluting, you know, fossil

fuel plant for many decades.

I can't imagine in a budget of our size, especially when we're talking about transitioning plants to a new green economy, and with all the money going into that, that we can't do better and have LIPA want to help this community more, a community that is full of good people who were devastated by Sandy, a hardscrabble town where people are trying to get by. A tax increase of this size would be devastating, and we cannot just let it happen.

As somebody who is -- you know, who oversees so much of this process, I think we cannot just write off these plants and these communities as something of a bygone era. We've got to work together to help them. And with all the money in the budget and all the regulatory power you possess, I'd like to ask you to be part of the solution and help us move to a better place.

PSC CHAIR RHODES: So thanks. Again, this is a tough issue. You know, I, like you, I think see two issues here. One

relates to the local tax funding and the future of that. That's one where we don't weigh in. It's a litigated matter, it's in settlement now. And we're also not in a position to really weigh in on budget discussions.

The second issue is one about solution finding, and particularly as it relates to is there a future for the plant, which if I were in your constituents' shoes, I'd have some question marks about, you know, where is that going.

And we know that part of the settlement under discussion is the creation of a community advisory board, if I have the name right. That is an obvious vehicle for dealing with just these kind of issues and -- I can speak for, you know, for my agency and, you know, the good officers of LIPA -- have them be part of the solution in trying to come up with answers for that future.

But maybe my colleague has something also to offer.

NYSERDA PRESIDENT BARTON: Sure.

Well, thank you for raising these very good questions, Chairman Kaminsky. And, you know, this is obviously a critically important issue in your district; I imagine other colleagues of yours have similar questions.

And we believe that thinking thoroughly and proactively about the future of these facilities is a central part of the work we need to do in implementing the Climate Leadership and Community Protection Act. As you know, Mr. Chairman, the law does create a just transition working group, for example, so that communities, labor, workers, others have a direct seat at the table to participate in crafting solutions as we look forward to this energy transition that, again, will be impacting this facility in your district but facilities across the state as well.

Already, not waiting for that work to start, in this year's State of the State address Governor Cuomo directed NYSERDA to make available direct grant assistance to communities that are grappling with trying to

understand reuse options and what can be the future of these facilities.

I know in the case of Barrett there have been discussions about potentially energy storage or offshore wind injection, and we believe those are issues we really should get to the bottom of and we should be looking for every opportunity as we go through this transition to find those types of solutions where we can seek to repower facilities with renewable energy where possible -- but in any event, where it may not be possible, to work directly with the communities and the impacted workers to help them understand their options and think about the future.

SENATOR KAMINSKY: Okay. I think it's important that nobody gets left behind. And I have tremendous concerns that that -- of what the settlement would do to Island Park, and I think this budget, the next few months we have, we should use as an opportunity to address that. And I appreciate your willingness to work with me on that.

To Ms. Barton, a question about anaerobic digesters and whether the energy they create can be -- or whether you're amenable to discussing whether that could be included in the CLCPA going forward. I think it was an omission that should be addressed in light of our wanting to use that form of energy going forward. But if it's left out, it's obviously not going to send the signals it needs to develop that.

And I was wondering what you thought about that.

NYSERDA PRESIDENT BARTON: Yeah, thank you for raising that important issue as well.

I think one thing that is absolutely clear is that with the level of ambition under the Climate Leadership and Community Protection Act, we need to be open-minded about a wide range of solutions. And NYSERDA has historically separated anaerobic digestion facilities and believes that there is a lot of ability for that technology and those projects to contribute to the state's climate goals. So we would absolutely be

open to discussing those issues with you.

Again, obviously, that would involve the houses and the Executive coming together. But from our perspective, we're very open to that conversation.

SENATOR KAMINSKY: Thank you very much.

CHAIRWOMAN KRUEGER: Thank you.

Now we turn to Assemblymember Michael Cusick, the chair of the Energy Committee.

ASSEMBLYMAN CUSICK: Thank you.

Thank you, Chair Rhodes, President Barton. Thank you for being here today. And also it's been a pleasure working with you in the last year or so on energy issues throughout the state. So again, thank you for your service.

Chair Rhodes, I'll start with the PSC. I have a couple of questions on the budget proposal given by the Governor last week. In the presentation the Governor made a proposal about revamping Article X. I know there's nothing specific yet, but there's talk of maybe 30-day amendments and all.

But would you be able to just talk to us a little bit about what do you see as the primary problems that exist currently that might be getting addressed in this budget?

PSC CHAIR RHODES: The simple answer is that the ambitions that we as a state have and the Governor has require us to be more certain and swifter in getting large-scale renewable energy projects and associated energy transmission upgrades through the siting process.

We've got ambitions, and we're not fast enough to meet those ambitions, and that's the job.

ASSEMBLYMAN CUSICK: Okay. But as of right now, is it safe to say there are no specifics yet to be -- that you could announce here today at the hearing?

PSC CHAIR RHODES: There are none. I can assure you the Governor has the state's energy team and other agencies working full-out on the issue.

ASSEMBLYMAN CUSICK: Okay. And we can expect something in the next 30 days?

PSC CHAIR RHODES: I believe that's the commitment that you heard from the Governor's office.

ASSEMBLYMAN CUSICK: Okay. Thank you.

In November, Chair, you and I had spoken and we spoke about the issue of staffing and that DPS has 10 employees exclusively focused on the Article X issues. Can you provide an update on the specific staffing at DPS on these issues, the Article X issues?

PSC CHAIR RHODES: I'll have to get back to you. The numbers I recall are a little bit higher.

I think we have 14 full-time and 28 folks all in that are working on this, and that's not including the folks at other agencies, principally Environmental Conservation, that are also engaged in this task. But we'll get you those numbers.

ASSEMBLYMAN CUSICK: Okay, I'd appreciate that.

Also in the language of the budget there was a Part C -- a Part Z, I'm sorry, Z

as in zebra. This new language would allow DPS staff to undertake administrative investigations and commence enforcement proceedings against regulated public utility corporations. Can the PSC point to specific examples now that this language would be needed for?

PSC CHAIR RHODES: Well, in general it's a fact that the PSC has been faced with increased opportunities for enforcement in recent years. I can go through the litany of incidents -- East Harlem, Riley/Quinn storms, the Rochester windstorm, Charter, a series of operator qualification and other gas safety issues and multiple gas utilities, New York American Water.

And the pace of severity of those have put -- have drawn our attention to the fact that we in fact lack some of the enforcement mechanisms that other agencies have as standard practice. And this text basically aligns us with the practice at other enforcement agencies and allows us to initiate and get going on these

investigations in a much more straightforward manner.

ASSEMBLYMAN CUSICK: And in this plan, is there specifics on how DPS would keep the public informed? Is there a mechanism in place --

PSC CHAIR RHODES: These are public -- these are publicly transparent processes. It's really going -- you know, it's path of going through -- issuing a notice of violation, which can be done by staff rather than a more intricate staff prepares commission to develop an order to show cause and the like.

But the transparency with the public and the ability to get to the truth, you know, in an open way is in fact enhanced.

ASSEMBLYMAN CUSICK: Thank you. Thank you, Chair.

President Barton, in the language of the budget on the bond act, the "Restore Mother Nature," there is language in there that expands the use -- it says that -- along with other examples, it says expand the use

of renewable energy to mitigate climate change.

Can you -- how would renewable energy be expanded, in your words? What would be some of the specifics that it would be expanded, based on this language?

NYSERDA PRESIDENT BARTON: Sure. Well, you know, as I think my colleague Commissioner Seggos testified a little earlier today, there is a lot in development in regards to the specifics of how the bond act will be presented to voters and identifying the projects that would be funded.

Certainly we can think of no shortage of needs for investments in renewable energy and other types of clean energy solutions -- energy efficiency and the like. And so all of that is within the purview of what the Governor's office and, you know, my colleagues in the various agencies that will be working on the bond act will be looking at.

You know, again, that's against the

context of course of the entire Executive Budget commitment to $33 billion over five years, which I just have to say stands as an extraordinary commitment to investing in renewable energy. I am not aware of another state that is making these types of significant investments. New York clearly is standing out as a leader in investing in renewable energy and clean energy solutions of all kinds, and in investing in climate-related investments like those that could be supported under the "Restore Mother Nature" Bond Act.

So, you know, again, happy to talk about the details of what NYSERDA is planning, and we do look forward to working with many of you to see that bond act passed.

ASSEMBLYMAN CUSICK: Great. You brought up the commissioner of DEC, who testified earlier. My colleague Assemblyman Englebright asked the question about staff, and there was language in this budget that would have NYSERDA authorized to transfer up to $4 million to the General Fund for

climate-change-related services. Which we in the Assembly understand that would include 27 new DEC employees that would specifically be going towards these climate change services.

We didn't get specifics from the commissioner then. Do you have any specifics as to what these employees would be working on?

NYSERDA PRESIDENT BARTON: Well, again, I can confirm, yes, that's the Executive Budget proposes that $4 million transfer, and it would support the work of --

ASSEMBLYMAN CUSICK: And 27 employees, is that the correct number?

NYSERDA PRESIDENT BARTON: I don't believe it was tied to a specific head count. And actually I would have to defer to DEC on how that funding happens. NYSERDA is essentially a pass-through for that collection from utility bills and then transfer to the General Fund.

But I do understand that it would support the Climate Office's work. We

obviously have a lot to do and not a lot of time to do it in, in order to start making the ambitions of the Climate Leadership and Community Protection Act a reality. But I do have to defer the specific questions about the head count and what those individuals will be working on to DEC as the agency that would be, you know, overseeing those individuals.

ASSEMBLYMAN CUSICK: Okay. Thank you. Thank you.

CHAIRWOMAN KRUEGER: Thank you. Thank you very much.

Senator Little -- welcome back, Senator Little. But Senator Seward I think had some questions first.

SENATOR SEWARD: Thank you, Madam Chair.

And speaking of chairs, Chair Rhodes and Ms. Barton, thank you for being here.

I wanted to return to the -- Mr. Rhodes, the discussion on the expanded administrative investigations on the part of your agency. Can you kind of run through

the -- more specifically, I mean, what would change under these proposed rules? What additional powers would you have?

PSC CHAIR RHODES: So the principal change is really the initiation of the investigations. Right? So it would -- the basis for all this is that regulated companies have an obligation, unqualified, to comply with the regulations and the orders of the commission.

So the scope of the enforcement is unchanged. Have they done that, and have they done that to protect the consumers and -- just and reasonable rates, and safe and adequate service, and all that stuff.

At issue is do we -- how do we initiate those investigations. And the process that we currently have in place is slow and takes a set of steps -- requires us to go through a set of steps that other agencies do not have. And it just is more efficacious to have staff, which are the knowledgeable folks that are able to judge whether there's a reasonable chance that a

gas safety violation has occurred, to initiate the investigation in a very straightforward manner, not losing anything in the way of transparency and due process and the like, but simply to get going on the investigation rather than having a multi-month cycle before that can happen.

SENATOR SEWARD: Okay. Thank you.

I wanted to hear your reaction to the proposal on the net neutrality rules for internet providers. If large users like these movie-streaming services no longer have the ability to purchase faster service, will this slow down the streaming for the average user who subscribes to those types of services? This seems to be an expanding part of the market.

PSC CHAIR RHODES: So net neutrality is an interesting and complicated topic --

SENATOR SEWARD: We've got less than two minutes.

PSC CHAIR RHODES: Pardon?

SENATOR SEWARD: We've got less than two minutes for your reply.

PSC CHAIR RHODES: The bedrock of progress that we've seen in all of these industries, including these fast-moving technology ones, is that competition is the friend of consumer service.

And net neutrality is a way of leveling the playing field and enhancing competition, which over the long run, across classes of consumers, is the best way to drive competition, which then in turn is the best way to drive cost down and value up for customers. That's the fundamental policy proposition that's behind this policy, and it makes sense.

SENATOR SEWARD: Have your staff at the PSC or anyone else, for that matter, looked at that issue of whether it's going to slow down the streaming for the average user?

PSC CHAIR RHODES: We have, but we can take another look and report back to you on that issue.

SENATOR SEWARD: Okay, thank you.

One quick question on the broadband expansion that was cited here. That is

certainly a critical issue, particularly in the more rural areas of our state. We continue to hear complaints that people do not have broadband yet. And can you describe what this broadband expansion is going to look like? Are we going to have another round of funding or require these other servers to reach more customers?

PSC CHAIR RHODES: So the agreement with Charter calls for Charter to fully serve the originally committed 145,000. So -- may I continue? So that's -- so that's in process.

It requires the company to make a contribution to some funding that could further serve additional customers. And ESD and the BPO is constantly in the business of assessing the completeness of its side of the bargain -- of the program.

I do note that one of the frequent complaints is that townships, municipalities, you know, have a hard time or say they have a hard time on finding out whether they're even in the plan. There's a process for doing

that. It does call for the township to sign a confidentiality agreement with the company, because it is competitive information. That doesn't need to be a burden, and we can help with that.

SENATOR SEWARD: Thank you. Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

ASSEMBLYMAN CUSICK: Yes.

Assemblyman Ra.

ASSEMBLYMAN RA: Thank you.

I want to go back to the topic that my colleague Senator Kaminsky had brought up, New York American Water.

I represent a portion of the Sea Cliff service area up on the North Shore. And certainly many of the same issues that Senator Kaminsky's constituents have dealt with, mine have as well, as well as my colleagues that represent the rest of that service area.

I know that there are a few community groups now and a few elected officials,

including myself, who have written to the PSC asking for, you know, enhanced opportunities for public comment on this sale. I think everybody would be very happy to have that entity out of their lives, but by the same token as Senator Kaminsky mentioned, they want to hopefully move towards municipal water in the future. I know that's not, you know, something that you can take a position on at this point.

But how is the PSC approaching getting adequate public comment on this sale to ensure that these ratepayers are protected? Because they've been through this before, as these service areas have turned over in the past.

PSC CHAIR RHODES: The basic architecture of the process starts with a petition or an application by the company for this transaction. And that then opens up the season for public comment.

And the always available mode for public comment is for written comment into a docket on this proceeding, and it's our

experience that concerned stakeholders have found that a very effective method.

In issues like this, there is also often a case to be made for public hearings in the relevant geography. Literally speaking, it's too early for us to have an opinion on that, but I understand that that would be a very welcome approach in this case, and we will think about it very seriously.

ASSEMBLYMAN RA: Okay, thank you.

And I would certainly again encourage the department to consider that, because there's a lot of -- obviously, as you're aware, there are a number of groups that have been very involved, they've done a good job of notifying the public of what's going on. But I still think many -- you know, as we've gone through the rate proceedings and stuff like that in the past, didn't necessarily -- weren't necessarily aware of what was going on and felt like they missed an opportunity for public comment.

So thank you for that.

PSC CHAIR RHODES: Thank you for the reminder, yeah.

ASSEMBLYMAN RA: One other question I had. The provisions regarding 5G and the siting or the permitting process, really -- any thoughts on how does this look in other states? Have other states done this to streamline this process? Has it cut out the opportunity locally for input and participation in siting of these facilities?

PSC CHAIR RHODES: So the department pays attention to where its jurisdiction goes, which is really related to the assets owned by the local utilities, telephone and power. And think of a pole, and you've pretty much got it right.

ASSEMBLYMAN RA: Sure.

PSC CHAIR RHODES: And we have implemented a set of practices that are at -- kind of leading edge nationally in terms of speeding the process, more definite cost estimates, time certain for simple attachments of the small cells to the tower.

We don't reach into where the

structures are municipally owned; that's something where we don't go. But we could work with a municipal that's interested in it. And we can certainly -- if your question is about kind of talking about when 5G will get to which zip code, we can engage with you on that.

ASSEMBLYMAN RA: No, it's more so that I have many villages, towns who have I think taken a very different approach with the companies into how they've worked with them in addressing constituent concerns and things.

PSC CHAIR RHODES: Can we engage with you on that?

ASSEMBLYMAN RA: Yes, that would be great. Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Senator Ortt.

SENATOR ORTT: Good afternoon to you both.

I think this is more directed towards you, Mr. Rhodes, but obviously either one can jump in. I have two questions. The first

revolves around Article X.

As I'm sure you're both aware, there have been more projects -- which is by design with the Governor's energy policy and the policies of this administration -- to drive more renewable projects, and as a result more projects in the Article X pipeline. To my knowledge, though, the intervenor funds, which are set aside -- I think it's 350 per megawatt -- I don't believe that number has gone up, meaning the amount of money set aside for those funds has not increased, even though the projects, the number of projects where you would have to dip into your intervenor funds, could be increasing.

Is there any change in this year's -- in the Governor's budget proposed to the intervenor funds?

NYSERDA PRESIDENT BARTON: So thank you for raising that issue. And, you know, as has been discussed, the Governor's made clear there's a number of things that need to be fixed about that process, and that's the proposal that we will anticipate to come.

I think questions like the ones you're asking are ones that we'd certainly be willing to follow up with you and understand, you know, how that works in terms of -- particularly if you've seen certain communities that have not been able to get the funds that they need to participate. I think it's a good time to put a lot of different solutions on the table, and so be happy to follow up with you on that.

SENATOR ORTT: Thank you. That would be great.

Because there are -- I have a number of these projects that are being proposed, and there is one community specifically I've already spoken to that those funds have been exhausted. Or, you know, that that was their -- what they were told, so -- and we can follow up, you know, through my office directly as far as the specifics on that, but --

NYSERDA PRESIDENT BARTON: We'll do that, yes.

SENATOR ORTT: That would be great.

And then the other question I had, the Climate Leadership and Community Protection Act does not define nuclear energy as a renewable source. Which means that under that act, nuclear would be, you know, removed from the New York energy portfolio going forward.

I guess my question is -- and I know this question has been asked in regard to other forms of energy. But what -- without nuclear in the portfolio, what is the amount of solar or wind or other types of renewable that we would need to replace, you know, that source of energy? And what do we lose from the grid -- you know, how much does nuclear contribute today, and how much -- I guess how much do we lose and then how many other types of -- you know, whether it's wind or solar -- will be needed to replace that loss of energy?

NYSERDA PRESIDENT BARTON: So thank you for raising an important issue about how do we -- how do we go about the important business of actually hitting these targets.

They are very ambitious. And, you know, we certainly have given a lot of thought to that.

And I want to also highlight that the law directs the Public Service Commission to undertake proceedings to look at how do we meet these targets, 70 percent renewable energy by 2030. And I would want to draw a distinction where the law also requires a hundred percent zero emissions energy by 2040. Which I think that's, you know, to the heart of the question you're asking about the role of nuclear.

And, you know, we do anticipate that NYSERDA will be bringing, you know, these matters to the Public Service Commission, as directed under the law, to make these, you know, very specific types of determinations about what do we anticipate for the role of various resources.

I want to also point out that as I think you're probably aware, NYSERDA currently administers the state Zero Emission Credit program, which has long recognized

nuclear as a source of zero emissions electricity and in recognition of the important contribution to the state's overall portfolio.

When we look ahead to those numbers, you know, we do see that, you know, we I think are blessed as a state to have a significant head start on zero emissions energy. We have, in addition to the nuclear fleet, a significant installed base of hydroelectricity, and we have recently embarked in the last few years on, again, what I think is an unprecedented and unmatched nationally campaign to spur the development of new renewable energy.

We will need all of those resources available over the long term in order to hit these targets that are called out in the act.

SENATOR ORTT: Thank you very much, Commissioner.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

ASSEMBLYMAN CUSICK: Assemblymember Carroll.

ASSEMBLYMAN CARROLL: Thank you, Chair.

Good afternoon. Following up on the Senator's question. So last year the Governor signed the CLCPA, and in that of course there is the benchmark to get 70 percent of our energy from renewable sources by 2030.

If we exclude hydro, how much energy are we currently getting from wind and solar?

PSC CHAIR RHODES: About four and a half.

ASSEMBLYMAN CARROLL: And that's our only renewable source, is that correct, if you exclude hydro?

PSC CHAIR RHODES: That's generating as of today, that's right.

ASSEMBLYMAN CARROLL: So what do we have to do in the next 10 years to actually hit 70 percent if we're not going to build any more hydroelectric dams because they destroy rivers, if we're not going to build any more nuclear power plants because they're too expensive, and only 4 percent of our

energy currently comes from wind and solar?

NYSERDA PRESIDENT BARTON: John?

PSC CHAIR RHODES: We can both answer.

The quick answer is we are on the ramp -- sorry, NYSERDA is on the ramp to building the level of renewables that we need. Alicia can take you through the track record of the last three years of solicitations and how they are building to it.

And I will just go on the record as touting the virtues of energy efficiency in terms of bringing -- you know, bringing the amount of electricity that we need down. The new Efficiency NY order that we did in January calls for a 3 percent annual reduction, which is a meaningful bringing in of the targets.

So this is doable and --

ASSEMBLYMAN CARROLL: So what are the benchmarks? So let's say -- let's pretend we reduce consumption by 3 percent over 10 years and that saves -- you're saying that would save about 30 percent of our energy costs?

And then what would be the benchmark so every year when we come to this hearing and we ask how much more solar and wind have we actually produced, what are the benchmarks we should be looking at?

NYSERDA PRESIDENT BARTON: So I'd say a couple of things. And I appreciate the rigorous focus on how we're doing and how fast we're going to get there. It's critically important. And that's the work that we're doing each and every day at NYSERDA. And I think we're making very strong progress. I'll give you a couple of examples.

So I know you're thinking about, you know, 2030, 70 percent, how do you hit that. Obviously we are starting from a smaller base of wind and solar, but hydroelectricity will contribute to that 70 percent.

In addition --

ASSEMBLYMAN CARROLL: It's about 20 percent, right?

NYSERDA PRESIDENT BARTON: No, it's actually -- it's actually more than that.

It's probably about 23.

ASSEMBLYMAN CARROLL: Twenty-three, okay.

NYSERDA PRESIDENT BARTON: And again, my colleague's comments about energy efficiency are important. We do believe that with energy efficiency efforts we will be reducing the overall load.

If you look at the procurements --

ASSEMBLYMAN CARROLL: How much will we reduce the overall load?

NYSERDA PRESIDENT BARTON: Well, there are a range of projections for that, for example. But if we fast-forward from today to that hypothetical 2030 mix, the current generating renewable electricity -- so that's the hydro plus wind and solar and other forms -- we believe that will be at about 30 percent. So again, that's the -- that's how we get from, you know, a little bit less than that today to 30 percent then, because load will be coming in.

If you look at the procurements that NYSERDA has --

ASSEMBLYMAN CARROLL: That's by 2030.

NYSERDA PRESIDENT BARTON: By 2030.

ASSEMBLYMAN CARROLL: So you're saying that we're going to only double the amount of wind and solar we currently have, if we have 20 --

NYSERDA PRESIDENT BARTON: No, no, no, I'm sorry --

ASSEMBLYMAN CARROLL: No?

NYSERDA PRESIDENT BARTON: Please excuse me, let me correct that if I misspoke. That's only what's existing, those numbers that you were asking about before.

In terms of what's in the pipeline and already under development, already under contract to NYSERDA, that is an additional 15 percent on top of that 30 percent that I just indicated. Which means we do have to go out and get another 25 percent in order to hit the 70 percent target.

The procurements that we've undertaken are truly historic and we have put under contract --

ASSEMBLYMAN CARROLL: I don't mean to

cut you off, but I have 45 seconds.

So just so I know, currently under construction -- not in the pipeline, not permitted, but shovels in the ground, people working on wind or solar sites today, how many wind and solar sites that are under construction right now are over 25 megawatts?

NYSERDA PRESIDENT BARTON: So there are two wind farms upstate that have started site preparations, have broken ground in that way and they are under construction. We anticipate more of those large-scale projects will go to construction later this year.

In addition, we --

ASSEMBLYMAN CARROLL: How many megawatts are those two projects?

NYSERDA PRESIDENT BARTON: They are approximately, all together, about 200 megawatts.

And we also anticipate another approximately 500 megawatts of solar to go forward to construction during the year ahead. And as we've said already, we are committed as a state to undertaking the

changes needed to make sure we accelerate those projects through the pipeline to construction to completion and generation.

ASSEMBLYMAN CARROLL: Will either of you be able to get us those benchmark numbers?

PSC CHAIR RHODES: Yes.

ASSEMBLYMAN CARROLL: Okay. Thank you.

ASSEMBLYMAN CUSICK: Thank you. Thank you, Mr. Carroll.

CHAIRWOMAN KRUEGER: Thank you.

I'm actually going to take chair privilege to jump in here, because I actually thought that Assemblymember Carroll's questions were really getting to the meat of what I also was interested in.

And again, I don't think anybody wants to play gotcha. We know what we have to do in this state. Right? We have to exponentially speed up our movement to renewable energy. We've mandated it in law, but more relevantly, we all know what the data is if we and everybody else don't

exponentially speed up what we're doing.

So we talked about -- somebody else raised the question about siting barriers, and the Governor's budget language allows you more flexibility to deal with siting power plants. Now, I've been here for 18 years, and most of the problems with siting power plants is communities didn't want polluting power plants in their neighborhoods. So now we're talking about needing to site non-polluting power plants.

So do you think there are specific changes we need to make that will actually ensure we can get new renewable energy plants sited and built much faster than our current schedule?

NYSERDA PRESIDENT BARTON: Well, yes. I mean, the Governor has made clear that we have to make a number of changes. And he has directed us that we need to think big and move fast and really put solutions on the table to make sure that we can follow through on converting, again, the pipeline of renewable energy projects -- which is

extremely large, and there are projects in development all over the state that have been awarded contracts to go forward, and now we need to figure out how to get them through the siting process to construction.

That's the proposal that will come forward with additional details.

CHAIRWOMAN KRUEGER: And siting is not just about power plants, it's also about a modern energy grid that can ensure that siting -- more likely in upstate New York, where there's more land and more renewable options, but then getting it onto a grid that brings it down to New York City and Long Island where there's fewer giant open fields and spaces to build energy.

So are we also moving forward with modernization and expansion of our grid, preparing for transmission of renewable energy from north to south?

NYSERDA PRESIDENT BARTON: Yes, absolutely.

PSC CHAIR RHODES: Yeah. I mean, the Governor mentioned a couple of things in his

remarks really relating to existing rights of way, which is really the first place you'd go look to expand the transmission capacity. That's also, obviously, a lesser siting challenge because a lot of the prework has already been done. So that's the first place to go look.

Related to that, there's a set of work that he's asked us to take on that relates to working with utilities, because not all of the release of renewable energy comes from the bulk transmission, there are lesser levels of the transmission grid that also can be de-bottlenecked, if you will. And so we're looking at that. And, you know, that's -- those are the action items that we know right now.

NYSERDA PRESIDENT BARTON: May I just add a brief addendum to also say that while certainly we will need to look at all of those solutions, when we think about, you know, what a -- what this new future grid state looks like with all of this renewable energy and the historic challenges that we

still continue to have and need to tackle about moving energy upstate to downstate, I can't help but point out, you know, the significant solution that offshore wind provides in bringing a substantial portion of the potential new electricity load directly into the downstate load centers, as well as some of the historic investments we are making in energy storage projects, which will help really just remake how the grid operates, much more flexibly and much more resiliently, over time.

CHAIRWOMAN KRUEGER: So when utilities decide what they're going to invest in for their infrastructure and to sell us fuel, they look at what's likely to happen in a PSC rate case and how much money they'll be able to charge or get reimbursed back over time.

So considering we know we need to charge forward on green energy and walk away from our old failed models, are we ensuring now, through PSC policy, that when somebody comes to you for a rate case involving expenditures on new gas-fired power plants

and infrastructure that a utility rate case for them won't incentivize them to think, oh, I can get this money back over 40 years?

Because we don't want them in business for 40 years with old models of energy, so why would we lead them to believe that the Public Service Commission is going to provide them with the rate increases to pay their costs over 40 years? I may have said that question backwards, but I think you understood.

PSC CHAIR RHODES: So on the renewable electricity front, I -- I'll just state that I don't think it's workable for the utilities one by one to identify the grid upgrades that they see that could be good for that renewable energy grid.

I think they need to be responding to information that is coming from state agencies, from statewide plans, based on an understanding of where the renewable energy pipeline is and where it's going to be and how it's going to come on-stream. So we need to lead the utilities in some of their

capital planning around the renewable electricity.

I'm sorry, the acoustic issues that you promised showed up, but I believe you also talked about gas infrastructure and kind of a 40-year asset life. That's -- it's hard to see how that squares with the CLCPA. And we are aware of the discrepancy and would like to work on -- with you on how to deal with that.

CHAIRWOMAN KRUEGER: So you agree that we do have a problem out there to deal with.

PSC CHAIR RHODES: We have work to be done, yes, ma'am.

CHAIRWOMAN KRUEGER: Okay, thank you. I have two minutes left, sorry.

Changing to RGGI, so in 2018 the Governor announced amendments to New York's RGGI that would lower and tighten the emissions caps by 2030, eliminate the loophole that allows certain peaking power plants to avoid compliance with RGGI. New York State has until the end of this year to update RGGI regulations to reflect the 2017

multi-state agreement in order to remain in the program.

So given all of that, what's the timeline for us to adopt our new RGGI regulations? Will the amended regulations be aligned and consistent with CLCPA? And since NYSERDA has not updated its RGGI regulations in over a decade, is there a plan to do so anytime soon, given we have all these other deadlines for RGGI?

NYSERDA PRESIDENT BARTON: Well, yes. We will meet the requirement to meet the plant program revision by the end of the year. And that will require NYSERDA to update our regulations. I don't have a specific timeline in terms of a month, but we will -- you know, of when that will go public, but we will -- we are advancing that and we will certainly do it in time to meet the public input requirements and then put the plans in place by the deadline.

In addition, yes, the Climate Leadership and Community Protection Act is the law of the land, so the revisions will

certainly need to comport with the requirements of the CLCPA.

CHAIRWOMAN KRUEGER: Great. Thank you both very much. And I give it back to the Assembly.

ASSEMBLYMAN CUSICK: Assemblymember Palmesano.

ASSEMBLYMAN PALMESANO: Yes, thank you.

The first thing -- I had a couple of questions. The first thing I want to do is I want to comment on something that was brought up; I don't really need you to address it right away. And then I'll get to the question that I really want to get to.

Regarding Article X, in the discussion it was talked -- I know you mentioned, Chairman Rhodes, about wanting to hurry to get these projects moving in the pipeline. I hope this is not done at the cost of local input and local voices being part of that process, because Article X was to ensure local input as members of that board.

Because I'm aware of a number of

examples where -- in my district and around my district where the local people who were recommended to our leadership in the Senate and the Assembly were not appointed to those boards, were not part of those decisions and basically removed. So I hope this going forward does not take that away, and we hope we work to ensure there is local representation and their voices are part of that process because to do so would be an insult and be wrong, especially when all these projects are being built upstate. And not every community welcomes solar farms and windmills, they can be divisive, and especially when that power is being provided to provide energy downstate.

So you don't have to address that right now, I just want to make sure we have improved local input.

One thing I wanted to get to is with the PSC. And I know Part Z expands the PSC's authority to penalize the utility by giving PSC the ability to impose, quote, unquote, other required relief in addition to

financial penalties. It also removes PSC's obligation to hold a hearing before the imposition of a civil penalty, and instead gives the PSC authority to review and approve any penalties recommended by the DPS. So instead of the PSC holding a hearing and undertaking the investigatory actions itself, now DPS performs these duties and makes recommendations to the PSC.

Another area that I have concern about is the removal of the word, quote, unquote, reasonably, in relation to the imposition of financial penalties when PSC determines a gas or electric corporation has failed to reasonably comply with a statute, regulation, or PSC orders. To me, it seems like that allows no room for flexibility in compliance where it might be needed, especially in the case of a storm or a natural disaster or an act of God.

So my question, I'll just wrap it up, what is the rationale for transferring the authority from the PSC to the DPS? Secondly, what other -- what is meant by "other

required relief" in the form of penalties compared to the current penalties that are set forth in Public Service Law 25A? So who pays these penalties, and is the scope of business impacted by that broadened as well?

And then the final question is, what is the intent and reasons for striking the word "reasonably" from the statute to take away that flexibility?

PSC CHAIR RHODES: So the purpose of these changes is really efficacy. It's not any diminishment of process. You know, that's a point I made earlier, and I still think it's important.

You asked another question, then you asked about reasonably. But I've lost track of the second --

ASSEMBLYMAN PALMESANO: About other required relief than the penalties. Because it says now they can impose other required relief in addition to the current penalties that are set forth under Public Service Law.

What additional other required relief are we talking about? More penalties or

fines? What are we talking about?

PSC CHAIR RHODES: I believe we're talking about remedial actions by the utility in order to -- you know, really more in the nature of if you had inadequate protocols for operator qualifications in a gas safety circumstance, what are you doing to remedy those?

ASSEMBLYMAN PALMESANO: Okay.

PSC CHAIR RHODES: But I can get you more detail on it.

On the point of "reasonably," a regulated utility has an unambiguous duty to comply with the regulations, particularly as they pertain to, you know, the protection of customer safety. And that's just a standard that other agencies have, and this is -- this is a removal of unnecessary ambiguity.

Finally, the point of who pays, it's the shareholder. It's not the customer. That's the very essence of an enforcement action or of a penalty action.

ASSEMBLYMAN PALMESANO: Well, I think ultimately the customer does pay.

If you want to talk about paying real quick, $33 billion Climate Action Plan -- will not that $33 billion be borne by the taxpayer, the ratepayer, the farmer, the manufacturer, with the subsidies that are going to be put in place for the development of all these new policies and plans? That will be borne by the taxpayer and ratepayer of the state, correct?

PSC CHAIR RHODES: They -- they are investments in a system that's better, and they are investments that take the place of business-as-usual investments. The status quo is not free.

So I just -- I don't agree that the $33 billion is somehow an additional cost on consumers that wouldn't have happened otherwise. And in fact it's foundational to our policies that we bring in new technology, that we bring in competition and that we bring in other people's money, investors that are besides the utilities, in order to get the resources deployed and the cost down and the speed up.

That's -- that's foundational to what we're doing.

CHAIRWOMAN KRUEGER: Thank you.

We're jumping to the Senate. Senator Betty Little.

SENATOR LITTLE: Thank you. Thank you, Mr. Chairman.

(Mic problems; off the record.)

SENATOR LITTLE: Chairman Rhodes, thank you.

We're talking about getting all renewables, 70 percent by 2030. In the North Country we have a lot of wind towers and we have a lot of really big solar projects that are taking place now, but transmission lines we don't have. And some of that power, to my understanding, is even going to New England -- going east, rather -- because there's no way for it to come down.

And the Governor mentioned transmission lines in his address. Is there an actual plan to bring it down on the eastern side and -- from the area where we have these things?

(Pause.)

SENATOR LITTLE: That sounds like a no.

PSC CHAIR RHODES: Alicia's agency and my agency are working together on a study that's identifying the needed transmission to bring the renewable energy generation from where it is generated to where it's needed to be.

So the plan is in the making. The study is going to address just those kinds of questions that you're posing to us, which are absolutely appropriate and right.

SENATOR LITTLE: Thank you. I look forward to working on that.

My favorite renewable is hydro, and it doesn't get much respect, truthfully. And yet it is probably the oldest renewable, the most renewable and cleanest. And yet we don't offer any incentives to improve these small hydro plants. I have a number of them in my district, and they could be doing so much more for our area and for the energy that we need.

Do you have a plan for that, or is there a way to incentivize them to become more efficient, even, and improve some of their things, their equipment?

NYSERDA PRESIDENT BARTON: Yes. Thank you for the question, Senator, and thank you also for your service and your longstanding support of renewable energy like these hydroelectric facilities.

There's a few things. One is that through the current NYSERDA solicitations, where hydroelectric facilities want to increase their capacity, they are eligible to participate and we have awarded projects in the past to upgrade hydro facilities to get additional output.

Beyond that, and a quite recent development, NYSERDA actually filed a petition at the Public Service Commission today to also look at -- to request that the commission consider a mechanism to allow existing renewables to participate in an auction for contracts, similar to what we have offered for new renewables or so-called

Tier 1 renewables.

So we'd certainly be happy to follow up with your office and explain the proposal that we've made, which of course will be taken under consideration by the Public Service Commission, and the public will have an opportunity to weigh in.

And as I said before, I think, you know, the ambition of the act means we have to look hard at all solutions, and that's what we're committed to doing.

SENATOR LITTLE: Thank you.

Just in the past year we had a bill that would have given some incentive for hydro, and yet it was vetoed. Is there a way or do you have ideas how we could improve on that to make it so that it could become effective?

NYSERDA PRESIDENT BARTON: Yes. And my apologies, Senator, if I wasn't quite clear.

So the bill that you're referring to that was vetoed was sent with a message, actually, for agencies like NYSERDA to

develop other solutions. And our response to that was filed today at the Public Service Commission with this proposal that would essentially allow for existing projects to bid into a NYSERDA auction to get a contract.

SENATOR LITTLE: But I didn't realize that was a result of the veto.

NYSERDA PRESIDENT BARTON: It is a result.

SENATOR LITTLE: Thank you.

NYSERDA PRESIDENT BARTON: And again, I'd be happy to walk you through the proposal.

SENATOR LITTLE: Okay, good. I just did want to talk to you particularly about a NYSERDA program that helped private ski areas, and they were allowed to buy new equipment, better equipment, more efficient equipment -- used less water, did all kinds of great things. And thank goodness we did that, with the lack of snow this year, that the ski areas are able to really function. So many of them appreciated that. And it wasn't an awful lot of money, but I think it

started out at 5 and they ended up spending more than 5 million because you had so many applications.

I would just like to see if we could do that again.

NYSERDA PRESIDENT BARTON: Well, I appreciate your positive comments on the success of that funding program, and of course it's --

SENATOR LITTLE: It started with John Rhodes, though. That's why he's smiling.

(Laughter.)

NYSERDA PRESIDENT BARTON: I'm sorry, we couldn't hear you --

SENATOR LITTLE: I'm sorry, I said I started that idea with John when he was at NYSERDA, that's why.

PSC CHAIR RHODES: I think it's a great program, but I want you to take all the credit, Senator.

(Laughter.)

CHAIRWOMAN KRUEGER: Thank you.

SENATOR LITTLE: Thank you.

CHAIRWOMAN KRUEGER: The Assembly's

done, so Senator Rachel May to close.

SENATOR MAY: Thank you, Madam Chair, and thank you both for your testimony.

I apologize I was late coming in. So I have three questions; if any of them has been covered already, just tell me to move on.

So the first one is about VDER -- Darth Vader -- the value of distributed energy resources that was used to replace net metering. I understand there were some tweaks to it. Can you tell me, is net metering going to come back? What is the status of VDER?

PSC CHAIR RHODES: So what there is now -- and I'm just going to get processy for just a second. But what there is now is there's a white paper that's out for comment, and it's a proposal that tries to develop next-generation VDER. The main thing about a white paper is that it's an opportunity for comment, so this is -- this is something that's still in the oven and being baked rather than already baked.

The white paper, which was done jointly between Alicia's agency and mine, tried to strike the smartest balance it could between a couple of objectives. One is to make sure that the really welcome increase of solar, including rooftop solar, didn't create undue burdens on other households. And the other was to make sure that we did not impede but rather reinforced the momentum in the market for solar.

And the proposal that's out there was one that was worked with all parties, and the solar industry backed the issuance of the white paper. You know, they used -- you know, they kind of commend where we ended up as a proposal. I don't like to predict the future, but I'm sure they'll have comments in this cycle and suggest some improvements.

But this is a balanced, reasonable proposal that moves us towards a more sustainable future for solar, one that I think is going to -- I don't know what the growth has been in the past year, but it's not slowing down.

SENATOR MAY: Okay. Thank you.

The second question is about broadband and the broadband buildout. I was glad to see there was money for that in the budget, has been my understanding. But is that going to be done without using satellite access? Because people are really unhappy with the satellite internet option.

PSC CHAIR RHODES: So we understand that the customer read that HughesNet, the satellite solution, is not at the speed, et cetera, of broadband. You know, the priority is to get some kind of service to everybody but then of course to really keep the whole state moving towards the Governor's vision of high-speed broadband for everybody.

So that's -- we'd be happy to engage with you on that.

SENATOR MAY: Great.

PSC CHAIR RHODES: But we're aware -- we, together with our colleagues at ESD and the Broadband Program Office, are aware of that issue.

SENATOR MAY: I appreciated your

testimony at our hearing about rural broadband.

And my last question is about green jobs. So we all want to create green jobs, but what are you doing to steer those jobs toward people of color, toward communities that have been hurt by climate change already or otherwise don't typically get access?

NYSERDA PRESIDENT BARTON: Yes, thank you for raising such a critically important issue. And that is a significant priority for our efforts. I'll say, you know, a couple of things.

One is that we are making historic investments in workforce training to allow workers to enter the clean energy industry. Already we have 160,000 workers in that industry in New York State, and it's one of the fastest-growing parts of our state's economy. That's a bright spot.

But as you say, we can't be unaware of the need to be proactive in reaching out to particularly historically disadvantaged communities of many different kinds. So

through NYSERDA's workforce solicitations, we do give preference to projects that will directly support priority populations. And that's not only disadvantaged communities and minorities, but also previously incarcerated or displaced power plant workers. There's a relatively long list of workers that would fit that definition.

It's -- it's something that we have made a central priority under the Governor's leadership, and we would welcome the opportunity to continue to work with you to make sure we have all the best ideas on how to go about that.

SENATOR MAY: Thank you. And are you tracking the success of that? Is that something that's transparent that we can look up or find out about?

NYSERDA PRESIDENT BARTON: Yes, so some of the data is early. You know, these programs are offered on a rolling basis. But my understanding is that through, for example, the programs that we'd offered over the last year, which are going to

dramatically ramp up in the next year and the years after, that we did see relatively good success.

In one of our programs I believe we were approaching close to 50 percent of the applications supporting in some way, shape or form, you know, these priority populations.

SENATOR MAY: Terrific. Thank you.

NYSERDA PRESIDENT BARTON: I'd be happy to follow up with more information.

CHAIRWOMAN KRUEGER: We would love you to follow up with her afterwards.

NYSERDA PRESIDENT BARTON: Thank you.

CHAIRWOMAN KRUEGER: Senator Seward is going to walk you out and ask you one more question --

SENATOR SEWARD: I'll call your office.

(Laughter.)

CHAIRWOMAN KRUEGER: Okay. We want to thank you for your time here with us this afternoon.

NYSERDA PRESIDENT BARTON: Thank you for everyone's cooperation.

PSC CHAIR RHODES: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

And for those of you following along on the TV Guide, we are now still on page 1, but we are finished with our government representatives, which means each person or group of people will be called down for five minutes' testimony maximum. We tend to keep questions shorter at this time of the evening.

And we will call up several so other people can get in line. So the first up is Alliance for Clean Energy, Anne Reynolds, executive director.

But if Peter Iwanowicz from Environmental Advocates wants to get closer to the front so he's ready -- I think he might have his deputy with him. And then Jessica Mahar from The Nature Conservancy, also to be in the room and ready to move along.

And I know everyone has sat here all day, and I appreciate it. We have too. And everyone's testimony will go up online. And

again, we really start to urge you, if you start to read, I'm going to take the paper away from you and say do it on your own, because you can.

So welcome.

MS. REYNOLDS: Thank you. Is this on?

Hi. My name is Anne Reynolds. I'm with a group called Alliance for Clean Energy of New York. If you're not familiar --

CHAIRWOMAN KRUEGER: Bring the microphone a little closer to your mouth, sorry. Thanks.

MS. REYNOLDS: How's this?

CHAIRWOMAN KRUEGER: Better.

MS. REYNOLDS: Hello again. My name is Anne Reynolds. I'm with the Alliance for Clean Energy of New York. We are an organization made up of both environmental organizations and companies that are engaged in renewable energy development and energy efficiency in New York State.

So we have companies, for example, that own existing hydro or existing wind or are attempting to invest and build projects

in New York, distributed and community-sized and grid-sized solar, offshore wind and land-based wind, fuel cells, sustainable biomass, energy efficiency.

So I really do appreciate the opportunity to speak to you for five minutes. And I realized I forgot to start the timer.

So on January 21st the Governor did his budget speech and started with energy and environment and climate and mentioned something that ACE has been working on, which is the difficulty in the permitting process for renewable energy projects. And we heard today Commissioner Seggos I believe used the term "The process is broken," which I was heartened to hear because as renewable energy developers, we have been trying to make that point to our partners in state government.

We absolutely need to have projects reviewed and permitted faster, and we need to have additional planning and permitting for transmission to move the new clean energy around the state to the places where it's needed. We really can't, in our view,

achieve the goals of the law that you passed last year without that happening.

I do note that there were not, as was said, amendments to Article X or specific language submitting to the Governor's Executive Proposal, so we are waiting on the edge of our seats to see -- and I'm basing this on a tweet from Rich Azzopardi that there will be amendments to the law submitted in the 30-day period.

So since I don't know what is proposed, it's difficult for me to comment on it. But I will say simply that if the process is dramatically redesigned, that would be a positive thing if it results in additional projects, but it would be very important not to undermine the projects that have been under development in New York. Some of these companies have spent five, six, seven, eight, nine years and invested millions of dollars in the sites that they've chosen.

So we would hope and expect that the process could be improved to speed up those

projects and bring those to fruition. You heard from the president of NYSERDA how many are under contract with NYSERDA now, and those are the projects that I'm talking about. So we would want to keep those moving even as we get some creative ideas for how we could get projects certified, permitted, reviewed faster.

The Governor also described a total five-year commitment to climate change of $33 billion, and that figure as I understand it is a combination of the proposed bond act and previously announced funds. But many of them are not part of the General Fund, so are off-budget. But it is still important for us to mention how important they are, how important those programs are.

It is, for example, the contracts with NYSERDA, the 20-year contracts with NYSERDA to sell the renewable energy credits that allow projects to get financed and allow projects to get built. So those programs funded by the RGGI money and through ratepayers through the Green Bank, the Clean

Energy Fund, and the recent energy efficiency commitments that were made via issuance of the Public Service Commission order just this month, are all very important. They're programs that ACE supports. And they're important pieces of the overall strategy to reach the greenhouse gas emission goals in the new law and to transition New York to a 100 percent clean energy future.

I want to mention that ACE New York enthusiastically supports the proposal to increase staffing at the Department of Environmental Conservation -- by my reading, at least 47 positions -- to implement the Climate Leadership and Community Protection Act. We hope that some of those positions are dedicated to processing applications for renewable energy projects. Of course we don't know. But then even a cursory reading of the law that you all passed last year shows that DEC has a lot of work to do, so we hope that those new positions are supported.

(Timeclock sounds.)

CHAIRWOMAN KRUEGER: And in closing ...

(Laughter.)

MS. REYNOLDS: Okay. So in closing, I'm happy to talk about specific changes to Article X, but I know I don't have time. I think my main point is there should be some. And if we are to meet the goals in the exciting law that you passed last year, we need to build wind and solar projects.

CHAIRWOMAN KRUEGER: Thank you.

Any questions? We've all done our job well here. Thank you very much.

MS. REYNOLDS: Thank you.

CHAIRWOMAN KRUEGER: Okay, next up.

And again, please, everyone, you can reach out to the advocates afterwards and follow up with them. They, trust me, will be reaching out to us.

Peter Iwanowicz, from Environmental Advocates of New York.

MR. IWANOWICZ: So great, so thank you for being here so late into the evening. And thank you for doing what you do every week.

I'm looking around the dais, and most of you travel at least two hours every week to get here and two hours to get back. So thanks for your service. Thanks for what you do for the people of New York State.

So this year we marked the 50th anniversary of the first Earth Day. The people are marching, they're protesting, as we saw earlier, and they're marching and protesting because the cost of inaction on climate change is enormous.

Let me just give you a simple figure. When we look at climate change, the social cost to us here in New York State alone each year is $10.2 billion. This flows directly from the social cost of climate analysis, and that has actually been around since 2012. So I know there was talk about it earlier; the social cost of carbon is not a new figure, and for New York State it's $10.2 billion a year.

It's staggering when you think of this. And a good way to address this is a good state budget. So here's -- really

quickly -- all the things we'd like you to address in the Executive's proposal, and to change.

First, we call on the State Budget to establish a $1 billion climate fund. And if you're paying a lot of attention to math, that's just 10 percent of what our annual costs are, the social costs of carbon. This fund will build the necessary infrastructure for clean energy, it will enhance access to clean transportation, and it would deliver resources to help communities in the state's workforce transition completely off of fossil fuels.

We also call on you to reject the Executive proposed transfer of 23 billion in RGGI funds to support general tax credits. Some of these have been around way before RGGI was even conceived or implemented.

We also ask you to reject the 5 million in additional RGGI funds that are going to support the Environmental Protection Fund. As Senator Hoylman rightly pointed out earlier, and we agree, this is really robbing

Peter to pay Paul.

And also one thing you can do in this budget is to end the RGGI raids once and for all. We actually call on the Legislature to include language in the budget that will direct NYSERDA to amend its RGGI regulations to align with the equity goals and mandates of the CLCPA. We heard from Alicia Barton that they are heading down that direction; let's mandate it in law.

I'm going to move ahead quickly to the environmental bond act, because there are other items in our climate testimony, but in the interests of time, I'm going to focus on the bond act next.

So first, it's been nearly a quarter of a century since we did an environmental bond act. It's time to put one before the voters again. I actually want to ask you to pull the bond act out of the budget discussions and do it outside. You did that last year with climate, and it was a good result because you had more time and energy to focus on the bond act, and you should do

that again. It's important to do a bond act, but it's not a requirement to do it within the context of a budget negotiation.

Also a $3 billion bond act should go for restoring habitat, reducing flood risk and other key clean water programs. If you find that you want to advance a $5 billion bond act, well, we won't oppose that at all -- in fact, we encourage you to do it. You could include an additional billion dollars that would go into clean water programs, particularly to fund the replacement of lead water pipes, which is a huge problem for New York. And you could also spend an additional billion dollars quite simply on electrification for electric vehicles, setting up that publicly charging infrastructure.

So there's two key ways to get to a $5 billion bond act after you address the $3 billion one.

Clean water programs, as we heard earlier today, there's a huge demand. And while the $500 million last year was a great

addition, and the $500 million this year is going to be great, you could literally spend {snapping fingers} like that a billion dollars on shovel-ready projects that could put New Yorkers to work and clean our water. So we encourage you to do that.

On the issue of solid waste, we support the Executive's proposal to ban polystyrene containers in packaging. And we also urge the Legislature to consider broader policies that will expand efforts to reduce plastic pollution such as a ban on other single-use plastics.

We applaud the Governor's inclusion of stewardship programs for carpet and mattresses. But at least when you look at these stewardship programs, we encourage you to reduce the front-end toxicity. Make products that are cleaner; it will make them easier to recycle. So reduce the toxins in mattresses and carpets to begin with.

And then finally let me close by just reiterating our position on the EPF. We urge you to support the Governor's proposed

$300 million level, but urge you to look forward to expanding that, so in five years from now we have a $500 million EPF.

Please reject the staffing offloads into the APPF. That doesn't belong in a capital program. That's what operation budgets are for. And also reject the RGGI transfer of $5 million. We're not expanding the EPF; we shouldn't nickel-and-dime other important programs.

And finally, the DEC needs more staff. I think that's plain. You know it, I know it, the commissioner probably knows it but he can't say so.

CHAIRWOMAN KRUEGER: Thank you. And thank you for staying within the five minutes.

Any questions? Thank you very much.

MR. IWANOWICZ: My pleasure.

CHAIRWOMAN KRUEGER: Next we have Jessica Ottney Mahar from The Nature Conservation.

And up on deck, if they want to come closer to the front, League of Conservation

Voters and Resource Recycling Systems.

MS. OTTNEY MAHAR: Thank you, everyone, for the time here today. I'm Jessica Ottney Mahar. I'm the director of policy and strategy with The Nature Conservancy here in New York.

And I want to start out by saying thank you because last year was a really historic year for our environment. We were thrilled to work with you on so many things -- thank you -- including the passage of nation-leading climate legislation. And we're ready to get back to work again this year.

I sent in a really long written testimony which I'm not even going to attempt to read from, but happy to talk to you in more detail later on.

I wanted to start out with the Environmental Protection Fund. We have been grateful for bipartisan legislative support for this program for the entire time it's existed, and we really appreciate how much legislators support all of the different

programs within the EPF.

Last year you all worked really hard to fight back against a proposal to offload agency staff costs into the EPF. Unfortunately, that fight is going to have to happen again. The Governor's budget proposes unlimited use of the EPF for agency staff costs. Despite what has been said today, there's absolutely no limitation on the amount of money that could be removed from capital funds and projects in communities to pay for agency staffing.

Now, The Nature Conservancy really supports the addition of staffing at our environmental agencies, but we shouldn't have to take money out of the EPF and open the EPF to unlimited spending for that purpose in order to refill our agency staffing levels. So we ask that you once again push back and oppose that proposal.

We do support the $300 million appropriation again this year. That's a historic high for the EPF. And again, we really support the Legislature's support for

that and want to make sure that the funding continues to grow in the future.

As Peter mentioned, there's a proposed transfer of $5 million from RGGI into the EPF. We oppose that. And we're also concerned at The Nature Conservancy about cuts to the Land Conservation Program, which used to be a $60 million program in New York State and is now being cut down to 30, just half of what it once was when the EPF was $255 million. So we have concerns over that cut as well as the cut to the Zoos, Botanical Gardens and Aquaria program.

And I wanted to voice some support for a new program within the land conservation line, which is for land trusts to work with private forest landowners to do permanent protection through conservation easements on their land. The Nature Conservancy is really supportive of land trusts having those grants to support that work. They're on the ground in communities working with landowners, and that will be permanent forest conservation, which is really important going forward.

I also wanted to just call your attention to the New York Protected Areas Database, which is a really geeky thing that we need to make sure things like renewable energy siting happen right. That's in the state land stewardship line.

And then I also want to talk about the bond act, which The Nature Conservancy strongly supports. It's been almost a quarter-century since we had one. We really agree with the intent around a bond act to support issues like flooding and flood prevention in our communities and protecting natural resources that our communities and future generations depend on.

So really appreciate the fact that we're talking about this finally, the first time since 1996. And we've been working on these in other states around the country, so we believe the voter support will be there, based both on public opinion research and our experience working with voters.

We would just ask that you think about framing it in a way that will compel voters

and that will be understandable to voters. In particular, the ballot question that voters are going to have to look at is going to be very important. So as you write that, which will be legislated, we really need to be careful about how that's worded.

And then lastly, I'll just say that The Nature Conservancy is excited about the proposal to further protect our wetlands in New York State. We're concerned about the "Waters of the U.S." ruling at the federal level and the implications it has for clean water and habitat. And we believe that the proposal in the budget, while it's different than some of the legislation that has been proposed in the past, deserves a serious look and we hope that you give it consideration and conversation.

And with that, I'll leave 30 seconds on the clock and open it up to questions.

CHAIRWOMAN KRUEGER: Great.

Senate? Assembly.

ASSEMBLYMAN CUSICK: Yes. Assemblymember Glick.

ASSEMBLYWOMAN GLICK: Thank you very much for your testimony. I have one question.

In how many locales are you working with landowners, property owners who are facing flooding? I see that you reference Mastic Beach, but clearly there are lots of places on the South Shore of Staten Island and obviously other places. So in how many locales are you actually working?

MS. OTTNEY MAHAR: So yeah, thank you for that question.

So we have teams working on the ground in a number of places, both actively and in the past, and it's in different functions. So in places like Mastic Beach we've done work where we've actually worked with willing sellers to buy out properties and return those properties to a functioning wetland, for example. We're doing some work like that in Staten Island right now as well.

And then in other areas, like on the shoreline of Lake Ontario or in the Southern Tier -- and in the Southern Tier, in

fact, we did so with support through the Environmental Protection Fund -- we've been working with communities to do planning so that they can think about the problems that are causing their flooding, especially at a regional level beyond their own municipal borders, and then work together on plans and actually come up with lists of projects that might be fundable through something like a bond act.

So we've had a number of projects in different places throughout the state, and it's kind of ebbed and flowed. In the Adirondacks we're working with communities on replacing culverts. There are a lot of culverts that blew out during Hurricane Irene and really destroyed the only roadway that got people from one place to another. It was a serious public health and safety concern.

What we've learned in a lot of the state is a lot of these culverts, where they create pinch points and blow out during storms, they're also ripe for opening up hundreds of miles of fish habitat, which is

great for the fish and great for the fishermen.

So we've been working in communities in the Adirondacks and in the Hudson Valley on that, and we're now prioritizing culverts that need to be replaced in places like Long Island. And then our partners, like soil and water conservation districts, are doing similar prioritizations in other areas of the state.

ASSEMBLYWOMAN GLICK: Thanks very much.

MS. OTTNEY MAHAR: I'd be happy to follow up with your office as well if you have more questions on that.

CHAIRWOMAN KRUEGER: Great. Thank you. And we also have a question by Senator May.

SENATOR MAY: Thank you. Yeah, that pretty much answered my question, but I was wondering, just to extend it, have you done watershed-level planning or facilitated, helped groups get started to do that?

MS. OTTNEY MAHAR: Yeah, so we had a

program called Flood Smart Communities, and the goal of that program -- and I talk a little bit about it in the testimony. And, Senator, I can come in and give you a fuller briefing. One of the examples of this was along the shoreline of Lake Ontario in Greece, Parma and Hilton, and we did a second phase with support from the EPF which Senator O'Mara secured several years ago in Southern Tier communities.

So kind of watershed-level planning in these areas that are flooding. Again, thinking about both the problems and the solutions and how strategies both within and beyond the municipal boundaries could contribute to solving those problems.

And, you know, the issue with flooding is it's really -- the cause is different in all these areas. And so really taking a look and figuring out at the community level what both the problem is and kind of what that community, what they want their future to look like is really important.

And I think as we think about the bond

act, we also have to be thinking about how to leverage programs in the EPF and other programs that exist to ensure that communities are able to do that planning prior to just throwing projects out there, so that we really understand what the impact of the projects that we'll be funding will be down the road.

SENATOR MAY: One thing I've heard about is kind of the shift to larger-scale corn farming has been one of the real problems with causing more erosion and more runoff from the land. And I don't know if you've worked with farmers at all.

MS. OTTNEY MAHAR: We haven't worked on corn, but we are working in the Finger Lakes right now on some ag projects with farmers in reducing nutrients and thinking how, you know, we can work with them on projects that they support and also can reduce some of the nutrient inputs into the Finger Lakes.

SENATOR MAY: Great. Thank you.

CHAIRWOMAN KRUEGER: Okay, thank you

very much. Appreciate it.

MS. OTTNEY MAHAR: Thank you.

CHAIRWOMAN KRUEGER: Our next testifier, New York League of Conservation Voters, followed by Resource Recycling Systems, followed by Center for Creative Land Recycling.

MR. McCLELLAN: Thank you. And thank you to all the members who are still here.

My name is Pat McClellan, and I'm the state policy director for the New York League of Conservation Voters.

We strongly support the $3 billion environmental bond act. Investments in nature-based resiliency serve a dual purpose of mitigating the impact of climate change on our communities while also protecting wildlife and natural spaces.

It's been almost 25 years since the last environmental bond act, and the focus on flood protection and climate mitigation here is clear value for money because every one dollar spent on mitigation saves the state about $6 down the road in responding to

floods and other natural disasters.

We do hope that as the budget is discussed and developed over the next two months that the Legislature and the Governor can work together on some more specific language and dollar figures for what the bond act can go towards.

While it's not directly connected to the bond act, we do also support Part TT of the TED Article VII legislation relating to wetlands. This would eliminate some costly and outdated red tape that prevents DEC from protecting vulnerable wetlands. If we're going to spend $3 billion on natural restoration projects through this bond act, including wetlands restoration, we really should make sure that DEC has the appropriate tools that they need to protect the wetlands that we already have before they're endangered in the first place.

On funding, I'll just echo what Jessica and Peter said about the EPF, that we're thrilled that it's at $300 million for a fifth year in a year, but that using any

portion of the EPF for staffing needs is not an appropriate use of a capital fund.

And we recognize that it's a tight year in the budget, but we do think that the state should start moving in the direction of, over the next five years, gradually increasing the EPF to $500 million in size.

Outside of the EPF, and hopefully paid for out of the General Fund, we are thrilled that the Governor has proposed new staff for DEC and for the Parks Department. It's long overdue.

We're also pleased that the Executive Budget is continuing to allocate more funding for clean water, and we support Part KK of the Article VII legislation which would help communities that are receiving zero interest loans have a longer payback period so that it's easier to access.

On recycling and waste issues, there are a number of things we wanted to weigh in on. First, we need to get rid of materials that can't be recycled or responsibly disposed of. That's why we supported the

plastic bag ban last year, and that's why we support the proposal to ban polystyrene foam containers and packaging this year.

But we also need to shift responsibility for recycling and safe disposal of materials that are difficult and expensive from local governments and taxpayers to the manufacturers of those products. So we support the proposals in the Executive Budget to create extended producer responsibility laws that cover mattresses and carpeting.

We're happy that there's also a proposal to charge DEC with identifying other product types that could be covered by EPR, but the Legislature shouldn't wait for that process to take place. There are actions that can be taken this year, including EPR legislation for packaging, for instance. So we'd urge you to move forward with that even as we wait for DEC to hopefully identify some other material types where it makes sense to apply this model.

And finally, we need to make our

existing recycling programs work better, which in part means developing markets that are worth it for local governments to participate in.

You know, I'm sure you know that many municipalities in the state are considering dropping glass from their recycling programs entirely because it's become so expensive. So we are pleased that the Governor announced in the State of the State a Center of Glass Innovation to research some new ways to reduce and recycle glass.

But we think that the state should also move forward with a minimum post-recycled content requirement for new packaging. And that is similar to a proposal that was put forward last year as part of an Expanded Bottle Bill proposal by Senator Kaminsky and Assemblymember Englebright. We think that that post-recycled content requirement can be pursued independently.

We're enthusiastic about potential reforms to Article X. As others have said,

if the current process is not working, it's not going to let us get where we want to go on energy. So we eagerly await further details of what the Governor is proposing.

And then, finally, I wanted to touch on transportation. There's a lot of low-hanging fruit here that the state should pursue. So legalizing e-bikes and e-scooters, which, you know, it seems like everyone is finally in agreement on now.

And there are two other programs to raise revenue to decarbonize transportation that the state should pursue. One is the Transportation and Climate Initiative. The other is a low carbon fuel standard, which I would be happy to discuss in greater detail, and it is discussed in greater detail in my written testimony that I submitted.

Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Senate, any questions? Assembly?

Harvey Epstein.

ASSEMBLYMAN EPSTEIN: Sorry for my voice. But thank you for your testimony.

I want to know more about -- I know, I'm sorry. Just where are you on the composting? It seems like we haven't moved forward enough on composing statewide. And what do you think we need to do to get municipalities -- like New York City, we're moving forward, but the rest of the state is really far behind in getting a real composting program off the ground. And what do you think about how we do that in a more productive way?

MR. McCLELLAN: Yeah, I think the one thing that I would like to see DEC kind of report out on -- or actually I believe it's NYSERDA who had conducted a study on this in 2017 in advance of the first time that that food mandate had been proposed -- is looking at what the capacity in the state is, how many anaerobic digesters and other facilities that are capable of accepting organic waste are there really. Because that's the big hindrance to doing mandates.

And while it's great that, you know, so many individuals and individual nonprofits

in this state are committed to recycling their food waste, we're not really going to move the needle until we have curbside collection in more municipalities and mandates covering more institutional generators of waste.

But you can't really put those mandates in place and you can't really do curbside pickup unless the capacity is there. And so the state needs to be reporting regularly on whether or not that capacity is there.

And, you know, I think that a low-carbon fuel standard as well, which would basically require that the dirtiest fuel importers in the state -- so gasoline and diesel, basically -- to purchase credits from clean-fuel providers. That would include renewable biofuels, which is one of the possible uses of an anaerobic digester.

And we think that a program like that would also help to spur the development of more digesters in the state. Which, by the way, on a kind of side note, would have a lot

of benefit for dairy farmers.

ASSEMBLYMAN EPSTEIN: And then just one other question around -- you know, with diesel and car fumes and trying to move to electric vehicles, it seems like we are starting or seem to be behind in our state fleet of vehicles as well as trying to get people privately to be able to get rechargeable cars -- there are tax credits in place, but not publicly available charging stations. How do we move forward on that?

MR. McCLELLAN: Yeah, I mean -- so I think that the question of getting it to scale is one of funding. You know, I do think that private markets are beginning to step in, but certainly not at the speed or scale that they need to to hit the aggressive targets that we need to.

So again, the Transportation and Climate Initiative, which would be an interstate compact that New York has actively participated in conversations on but has not committed to joining -- that could raise potentially over a billion dollars a year for

clean transportation projects, including mass transit and electric vehicle charging stations.

And then similarly, we think it would be complementary to also pursue an LCFS, in which case, you know, one of the eligible participants in the market that would sell credits to dirty fuel providers would be electric charging installers. So that, you know, functionally Exxon is paying for the installation of electric vehicle charging stations.

CHAIRWOMAN KRUEGER: Okay. Thank you very much for your testimony tonight.

MR. McCLELLAN: Thank you.

CHAIRWOMAN KRUEGER: Next up we have Resource Recycling Systems, followed by Center for Creative Land Recycling, followed by Citizens Campaign for the Environment.

And again, I think some people got on the train already. We'll see.

Hi.

MS. DIMINO: Hi. My name is Resa Dimino. I'm with Resource Recycling Systems.

We are a mission-driven recycling consultancy. And I'm here today on behalf of a consortium of companies that collect, process and recycle carpet.

We're very pleased to see the Governor's Executive Budget including language to create an extended producer responsibility program for carpet, and we're here to support that.

According to the DEC, less than 1 percent of the carpet in New York State is recycled every year. And sending all that carpet to landfill or waste-to-energy facilities is not only a waste of money, in that local governments and businesses are paying to dispose of it, but also squanders valuable natural resources.

Carpet recycling offers a good opportunity to reduce greenhouse gases, create jobs, and keep materials circulating in the economy to improve sustainability. Unfortunately, though, the economics of carpet recycling are not self-sustaining, so in order for carpet recycling to work in

New York, we need EPR policy for financing.

EPR programs require carpet producers to pay the cost of collection and processing of carpeting. It's sort of like the "polluter pays" principle applied to carpet; the producers pay those costs. Those costs essentially get passed on to consumers, so the people who use carpet ultimately pay for its recovery at the end of its life.

Despite the fact that carpet has some value and there's real environmental benefit in recovering it, nationally only about 5 percent is recovered -- and as I said, in New York, only 1 percent. The only place that's got a reasonably decent carpet recycling rate is California, where they have California EPR legislation. Their rate has gone up to about 24 percent and is still moving up, and there's a demand for all the carpet that's being collected and processed in that program.

We estimate that within about four years, New York could get to 25 percent carpet recycling. And if we did that, we

would be able to reduce greenhouse gas emissions by 33,000 metric tons of carbon equivalent, create about a thousand jobs, and save more than $4 million a year in waste disposal costs. And we think those benefits will only go up over time.

It's important to understand why we can't recycle carpet in New York today and why we need this EPR policy. Even though there's a demand for the carpet that's collected -- more than 90 percent of the materials in carpet are currently recyclable and have end markets, but the prices paid for that material aren't enough to cover the cost of collection and processing and transportation.

And so these materials have to compete with virgin plastics, which are very low priced, and other commodities that are very inexpensive. The incentive that EPR provides levels the playing field so that we can offset the higher processing costs that these carpet recyclers face and allow them to compete for markets and keep this material in

circulation.

The carpet recyclers are private businesses. They'd love a market-based solution. Unfortunately, there's none on the horizon. Several of the carpet companies are ready to come to New York, they're ready to build facilities here, create jobs here, and help the state meet greenhouse gas reduction and waste reduction goals. And we hope that you will work with us to take advantage of the policy opportunity here to bring these businesses to New York State. It's really a win/win.

CHAIRWOMAN KRUEGER: Thank you.

Senate? Assembly? We appreciate your testimony.

MS. DIMINO: Thank you.

CHAIRWOMAN KRUEGER: And you'll be the first person to testify on carpet recycling ever. Thank you.

(Laughter.)

CHAIRWOMAN KRUEGER: Center for Creative Land Recycling. Hello, Jeff Jones.

Next up, for people tracking, Citizens

Campaign for the Environment. And then we have the Sierra Club and the New York Farm Bureau, if people want to get closer to the front.

MR. JONES: Good evening, Senator Krueger and other Senators and Assemblymembers. My name is Jeff Jones.

Jean Hamerman, the director of strategic initiatives for the Center for Creative Land Recycling, could not be here today, and I am happy to step in.

I appreciate very much, as someone who has spent the day with you, your endurance and your commitment. And appreciate this opportunity to say a few words.

I may be about to set a record. We have been talking all day about very big issues, billions of dollars -- at least hundreds of millions of dollars -- and I ask to speak to you today about $2 million. So I'll be quick.

The Brownfield Opportunity Areas program is one line in the Environmental Protection Fund. It is proposed this year at

$2 million, which is where it has spent most of the last six or seven years, which is a reasonable amount for the -- we call it BOA, the Brownfield Opportunity Areas program.

I just want to call it to your attention because it's been such a successful program in New York but it's so little known. It was created in 2003, when the Legislature created its package of brownfield cleanup laws. And although we are not talking about urban revitalization of brownfield cleanups to the extent that we did some years ago, the fact that the Brownfield Cleanup Program -- the BCP, the big gorilla in the brownfield cleanup room -- is expiring at the end of 2022 makes me think that we'll probably be having this conversation a few more times.

But specifically to BOA. There was a problem in the way that urban redevelopment was being conducted in New York, and that was that the communities that were most impacted by contaminated lands, especially urban lands, did not have a seat at the table about what the future of their neighborhoods was

going to be.

This is in some ways similar to the conversation we're having about impacted neighborhoods in relation to the climate crisis. So the Brownfield Opportunity Areas program put money in the hands of local community members to have a say in the future of their communities.

And if you take a look at the testimony and the communities that today are benefiting from the Brownfield Opportunity Areas program, you'll see how it has actually, although it was an idea that was created and championed in the environmental justice movement, it has become a major tool for economic development across the state, with -- I would say particularly in some of the upstate municipal areas.

The way the program was set up, there were stages, and eventually the final stage was the creation of a plan which was then to be designated by the Secretary of State. And in 2009 there were amendments that allow BOA projects that have been designated -- when a

developer develops consistent with that program, they get a tax credit, an additional tax credit.

And I want to call your attention to that because there are now 57 designated BOAs across the state. In every regional economic development -- REDC region, there are designated BOAs. Six of them have reached the stage where the Secretary of State has said, Okay, you qualify for these tax credits.

Revitalizing downtowns is critical on a number of different levels. And if there's any question about this -- and this is sort of the main point I wanted to make. You as a legislature have supported the Governor's proposal for the Downtown Revitalization Initiative, DRI, a much bigger program, $100 million a year. It's in this year's budget too. And what happens -- that's where the "Hunger Games" meme comes from, competition between different communities.

Nevertheless, we are now ready to start the fifth round of DRI. That means a

number of urban projects will qualify for a $10 million redevelopment grant. In the first year of the program, the first 10 projects that won DRIs, half of them started out as BOAs. Why was that? Because that's what allowed communities that didn't necessarily have the resources to hire planners or developers to actually compete successfully. And so now, now that we've had four complete rounds, with another one to go, a quarter of all DRI awards have gone to projects that started as BOAs.

And with my 15 seconds that I have, I would just say it's a very valuable $2 million that's embedded within the Environmental Protection Fund, and the Center for Creative Land Recycling and many of our allies hope that you will support it when the time comes. Thank you.

(Timeclock chimes.)

CHAIRWOMAN KRUEGER: Perfect timing. Thank you.

So you got it, everybody? Two million dollars, they want to keep it, they'd love to

get more -- we're probably not giving them more.

Thank you for coming and testifying, Jeff.

Any other questions? All right --

MR. JONES: Can I take these paper clips and recycle them?

(Laughter.)

MR. JONES: Thank you.

CHAIRWOMAN KRUEGER: Goodbye.

Citizens Campaign for the Environment, the indubitable Adrienne Esposito, executive director.

Followed by, again, Sierra Club, Roger Downs, and New York Farm Bureau, Jeff Williams.

Good evening.

MS. ESPOSITO: Good evening. And thank you to all of you who are sticking it out, your endurance and fortitude is well-appreciated.

My name is Adrienne Esposito. I'm the executive director of Citizens Campaign for the Environment. We are a 120,000 member

organization throughout all of New York State and also Connecticut.

I'm going to make a couple of quick points, and I'm going to talk quickly because the clock literally is ticking.

The first thing is water. Thank you. I just want to say I know you don't hear this often enough, but thank you for the Water Infrastructure Improvement Act. When you opened up that act as a line item in the New York State Budget back in 2015, it really started something big. It started out small with $50 million, then it inched up to $75 million, and before we know it, in 2017 you allocated $2.5 billion -- 500 million last year, and another proposal of adding 500 million this year.

That has been a huge success. Right? The sewer infrastructure, drinking water infrastructure, the pipes don't fix themselves. We have to do it. So I want to urge you to continue and build on that success.

It's my job to say thank you but also

to ask you for more, and so I shall. We're asking for $1 billion for water infrastructure in that line item this year.

When the previous estimate of how much it would cost New York State to upgrade sewage treatment plants and drinking water was crafted, that was before we even knew about emerging contaminants -- 1,4-dioxane, PFOA, PFOS. Now we have the added burden and will be looking at more emerging contaminants this year that will be right around the corner for us to filter out.

So we can't sit back and rest on this success; we have to keep pushing forward. Clean water protection, public health protection, we ask that you please give it the highest priority, as you have. Thank you.

The second thing is wetlands. We're thrilled to see in the Governor's budget the 12.4 acres for mapping will now be only educational, not jurisdictional. Which means all wetlands, 12.4 acres, will be protected. That's great.

But members of the Senate and the Assembly, this could actually be the year that we actually protect wetlands one acre or more. Because 12.4 acres is not an ecological threshold, it's a political compromise.

So on the one hand I have gone to I don't even know how many meetings where we're talking about nature-based solutions to flooding, flood control, preserving wetlands, restoring wetlands, reconstructing wetlands. That's great. On the other hand, we have a policy that only protects wetlands 12.4 acres. So if it's 11 acres, ah, we don't care. That doesn't make sense. That actually is counterproductive.

So if we want nature-based solutions and we want to protect communities from flooding, let's not allow wetlands to be developed upon.

The third thing I want to mention is glass recycling, just very quickly. We've heard over and over again that we cannot recycle glass, we don't recycle glass. The

truth be known, where I live they don't pick it up anymore. You bring it to a special drop-off. You wash your cans, then you drop it off -- then you know what they do with it? They grind it up and put it in the landfill as a liner. That's not recycling.

So until we actually have a glass market, a glass recycling center in New York, that's when we'll recycle glass. That's something that could be put into the environmental bond act. That would be a good capital expense, as I'm being told what's being looked for in the bond act. Helps solve one of the key municipal waste challenges that we have right now.

Another thing is the EPF. I just want to reiterate we stand with our colleagues in the environmental community. Please again, Senate and Assemblymembers, let's fight against offloading DEC staff into the EPF. Once that door is open, it's not going to close. We need to keep the EPF as solid as it is. It's our only area where we protected the environment and we need to keep it as

such.

Two other quick things. Please stand strong with the Styrofoam ban. I know those jobs that are in New York State are important, but jobs must transition. Just like when we used to produce phone books and now we don't, or rotary phones, or even typewriters, and now we don't. Those jobs transition. As society changes and evolves, the jobs must change and evolve. We don't stunt the evolution of society, but rather we change the jobs to meet new societal needs.

I live in a county that bans Styrofoam. We're all good, we're all fine. We can do it as a state.

And last but definitely not least -- this relates to what Senator Kaminsky had asked earlier -- there's supposed to be, but there isn't, a small tiny little literally drop in the bucket in the budget of $200,000 to study water sharing between New York City and Nassau County. New York City has a surplus of 1 billion gallons per day that they would like to share; Nassau County has a

deficit in the county. Sharing water would allow us to fight saltwater intrusion and have a more sustainable water supply.

Please, if we could put the $200,000 in the budget where it belongs, it would mean a lot to 1.5 million people.

Thank you very much.

CHAIRWOMAN KRUEGER: Thank you, Adrienne.

Questions from the Senate? From the Assembly?

ASSEMBLYMAN CUSICK: Yes. Assemblymember Ra.

ASSEMBLYMAN RA: Thank you, Adrienne. Good to have you here.

MS. ESPOSITO: Hi, Assemblyman.

ASSEMBLYMAN RA: Thank you for sticking it out with us.

MS. ESPOSITO: It was close, but I did it.

ASSEMBLYMAN RA: Just a quick question. Back in the fall you had come out and testified when we had our Water Quality Task Force, and one of the things we were

obviously talking about that night was 1,4-dioxane and treatment and costs and all that.

And obviously there's been some developments in the situation since then, both in terms of some additional funding going to our local water districts and also the regulation and time that the water districts were asking for in terms of putting new technologies online to deal with that issue.

So any thoughts as to where we are now versus then? Obviously funding is going to continue to be an issue, to make sure that districts can, you know, comply with the new regulations. But any further thoughts on where we ended up with the regulations?

MS. ESPOSITO: Well, I have to say, you know, funding and technology will mean -- will be a challenge. But I have to compliment the New York State Department of Health and the Drinking Water Task Force for their solution, which is to give a two-year extension for some water suppliers who can

prove that they're doing due diligence in being able to filter 1,4-dioxane but they still need two more years to comply. And then if really they need it, they can do one more year.

So water suppliers asked for a seven-year leeway or grace period, and the Department of Health said no, gave them two years and a potential three years. So I thought that the system that was crafted, as best as my knowledge about it, is reasonable and I think is good enough for the water suppliers. It helps the public feel more secure that we're aggressively seeking clean, safe, healthy water for them.

ASSEMBLYMAN RA: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

I want to thank you for pointing out the correlation between our need to change our business practices in order for the planet to survive.

And again, the assurance that I think got lost sometimes today, that people will have new jobs in a new green sector. So just

because you might find yourselves no longer working in a polluting industry, it doesn't mean there won't be new jobs you've never heard of yet in the industries we are creating at breakneck speed if we think we're going to last.

MS. ESPOSITO: That's exactly right. I mean, we need to change. We're supposed to change as a species, and our jobs have to change with those -- you know, with our ability to evolve.

CHAIRWOMAN KRUEGER: Thank you.

MS. ESPOSITO: Thank you.

CHAIRWOMAN KRUEGER: Thank you very much.

Okay, we are now up to Roger Downs, the Sierra Club, followed by the Farm Bureau, followed by the Farm Viability Institute.

Hi, Roger.

MR. DOWNS: Hi, how are you.

Senator Krueger, esteemed committee members, thank you for allowing the Sierra Club at this time to provide testimony.

Last year the New York State

Legislature and Governor Cuomo made history by passing the strongest climate change legislation in the country, putting the Empire State on a path to a carbon-neutral society by 2050. This ambitious vision of reaching 100 percent renewable energy by 2040 in a way that prioritizes and uplifts disadvantaged communities now has to be met with the even more daunting task of implementation.

These next few months and years will test whether we have the resolve to make transformative change out of our ambitious goals. The Sierra Club finds a lot to be optimistic about in the 2020 Executive Budget, and has great confidence that the Senate and Assembly can build upon these commitments to methodically reduce greenhouse gas emissions, build equity and resiliency in our communities, and clean up our environment.

I'd like to quickly touch upon a few priority issues. We celebrate a continued fully funded EPF at 300 million but express

concern, along with everyone else, for the appropriations language that opens the door to unlimited offloads from the General Fund to pay for staffing costs.

We support augmenting DEC staff by at least 47 to accommodate new climate law responsibilities, but we'd like to see a five-year plan to see that number rise to 250 by 2025.

We herald codifying the historic fracking ban but hope the final Article VII language will mirror the Metzger-Krueger language to include oil wells and a ban on fracking that also includes gel propane as a fracking fluid.

We applaud Governor Cuomo's off-budget commitments to grow electric vehicle infrastructure, but feel that the Legislature should enact a sales tax exemption for EVs and augment the $2,000 EV rebate to fill the gap left by the Trump administration's unwillingness to renew sunsetting federal tax credits.

And we'd also really like to see the

Legislature get more involved in the Transportation Climate Initiative. I think we really need your voices on that agreement.

Certainly we support the ban on polystyrene -- this is something of course that Senator Krueger started -- and the EPR for carpets and mattresses.

But with my time, I would like to just dig into the issue of reforming and strengthening wetland protections. It's an understated yet significant environmental offering in the Executive Budget.

For the past two decades New York has been entangled in the federal legal debate over what constitutes a wetland and who has the authority to protect them. Recently efforts by the Trump administration to roll back Obama-era clean water rules has only intensified the need for New York to clarify how we as a state regulate freshwater wetlands, one of our most valuable and misunderstood resources.

New Yorkers rely on swamps, fens, bogs and wet meadows to filter pollutants from our

waterways, recharge our aquifers, and absorb catastrophic floods. Yet there often appears to be little public awareness that we are filling, dredging and draining wetlands at an alarming rate -- at least until we find our neighborhoods underwater and our public water supplies contaminated.

Currently, as Adrienne said, for a wetland to be subject to regulations under New York State law, it must be delineated on existing freshwater wetland maps prepared by DEC after lengthy public comment. But most of these maps haven't been updated in over 20 years, making them woefully incomplete, and the amendment process can be time-consuming and overly burdensome in administrative costs.

There are hundreds of thousands of acres of wetlands in high-development areas in New York that are not on official maps but desperately require protection. Governor Cuomo's proposal would remove the jurisdictional barriers that these maps have created and allow DEC to immediately protect

and regulate wetlands if they meet the basic scientific definition of these critical habitats, featuring hydrophilic plants and hydric soils.

And as Commissioner Seggos said earlier, this could amount to more than a million acres more than what we're regulating now.

And I just, you know, want to conclude that, you know, for years the Sierra Club has campaigned to pass the Clean Water Protection/Flood Prevention Act. This legislation would move the jurisdictional wetland barrier down to one acre. And I really encourage the Legislature to move in that direction to see what we can do in negotiation, but don't let this opportunity pass us by.

And I think this is a really nice complement to the bond act. And I think that clean water and healthy ecosystems are a cornerstone of any thriving economy. And we hope you support inclusion of this essential reform to wetlands in the budget.

Thank you.

CHAIRWOMAN KRUEGER: Thank you. Everybody's got it perfectly timed tonight.

MR. DOWNS: I was a little over.

CHAIRWOMAN KRUEGER: That was pretty good.

Any Senate questions? Any Assembly questions?

Thank you very much, Roger. Appreciate it.

MR. DOWNS: Thank you.

CHAIRWOMAN KRUEGER: Okay. All right, now we have the Farm Bureau, the New York Farm Viability Institute, New York Wine and Grape Foundation, American Farmland Trust -- we've got a theme going here.

Hello.

MR. WILLIAMS: Good evening. I'm Jeff Williams, the director of public policy at New York Farm Bureau. We're going to switch this to the agricultural portion of the budget hearing.

New York Farm Bureau, for those who don't know, is a trade association that

represents farmers in the state. We have a extremely diverse industry in New York. We are not like the Midwest with just corn and soybean; we have a tremendously diverse industry, which you'll hear from the speakers behind me.

What you'll probably also hear is the fact that farming in this state -- and frankly globally -- is depressed. New York farmers in the last couple of years have lost about a billion dollars in farm revenue. The dairy industry particularly is hurting greatly after five years of pricing downturns. And part of that, frankly, is the high labor costs in New York State. Last year with the Farm Labor Bill being passed, that only contributed to the problems that we have with paying workers in this state.

But that said, the budget for agriculture is quite widespread and matches our diverse industry. We really depend on funding for animal health and animal health research -- public health, frankly, that stems from that -- workforce development,

farm safety, migrant childcare, and research and promotion on a whole host of agricultural commodities.

Those research and promotion programs are housed in the Ag & Markets budget, in the Aid to Localities. That section really is our Empire State development. Other businesses go to ESDC for support; we go to the Ag & Markets, in that budget, for economic support.

We're really pleased that the Governor has primed the pump for the second straight year for funding many of these programs, either fully or partially, and we're very thankful for that. Last year, if you recall, that was all in a lump sum. This year he actually broke it out to make it easier for you all, hopefully, to restore program funding.

And I'm just going to name a few programs that we really care about that need funding in the final budget: North Country Agricultural Research; Christmas Tree Research; Turf Grass; Farm Viability;

Harvest NY; Vegetable Research; PRO-DAIRY, with an expansion of funding for environmental projects. Those are programs that our industry really depends upon.

You heard a lot about the EPF, and we too rely on the EPF for farmland protection and non-source-point water pollution programming, pollinator protection, climate research. So we are aligned with our environmental brothers and sisters on making sure that we have a fully funded EPF and staffing is not paid for out of the EPF.

I mentioned the Farm Labor Bill that was passed into statute last year. We are desperately seeking some clarification in language and, frankly, funding to help farmers offset the costs. And the Governor has heard our plea and has included a number of our requests in his proposed budget, especially expanding the definition of family to be included in the bill to the third degree of consanguinity. He also included a refundable tax credit for investment in farms, to bring them up to 21st-century

standards of efficiency, and increasing funding for farmworker housing and the revolving loan fund through DHCR.

We're still looking for some other fixes and changes in funding investments, for a change in law to allow salaried workers in agriculture who meet the salary tests for management to continue to be paid salary, in salary. And also doubling the farmworker retention tax credit that was implemented as part of the minimum wage increase for farms, to help again offset the costs of paying workers an added amount starting this year.

That is my testimony. I'd be happy to answer any questions if you wish.

CHAIRWOMAN WEINSTEIN: Thank you.

Any questions?

Senator Seward.

SENATOR SEWARD: Yes, thank you.

Mr. Williams, you opened the door a bit on the farmworkers bill from last year. Could you -- by the way, I just want to start by saying that our farmers are I think one of our first and most ardent protectors of the

environment, and very great environmental stewards. And I think it's good for the environment if we keep our farmers farming.

MR. WILLIAMS: Amen.

SENATOR SEWARD: But can you describe what kind of effects are you hearing from your members in your industry that the Farmworkers Fair Labor Act has had on your members?

MR. WILLIAMS: Yeah, we actually canvassed a number of different farm owners, at the request of the Division of Budget and the Governor's office, talking about the impact of the bill or the law on farms, in order to make the case for some of the inclusions he has in his budget.

And of the vegetable growers, apple growers and dairy producers, the cost impact has added -- it ranges, but between 50,000 and $100,000 per year per farm. And when farmers, especially dairy farmers, aren't making any money, that's obviously very concerning.

I know of one extremely prominent

long-time farm family who of course is complying with these regulations and the law, but they themselves are on food stamps because they can't afford anything else.

SENATOR SEWARD: So what measures have some of them taken, you know, to compensate for the effects of the law?

MR. WILLIAMS: It's still early. We haven't, obviously, gotten to the summer growing season. But they're looking at trying to add workers, if they can, to keep people below the overtime threshold. But the labor is so tight in New York State and across the country for farmworkers, it's very hard to do.

They're looking at transitioning to less labor-intensive crops. And I know apple growers are thinking about getting out of the business and doing something else. They can use mechanized machinery to harvest. There's really -- that's really what I've been hearing lately. And some, frankly, are considering exiting the business.

SENATOR SEWARD: If I heard you

correctly, it appears you anticipate that a farm laborer will be working fewer hours in 2020 than they did in 2019. I mean, is that a correct assessment of one of the impacts?

MR. WILLIAMS: Much to the chagrin of the actual farm employees. It's gotten around the country that really you don't want to go to New York because your hours will be limited, and they're looking for jobs elsewhere.

SENATOR SEWARD: So that could very well lead this year to fewer migrant workers coming to New York to service our farmers?

MR. WILLIAMS: Correct.

SENATOR SEWARD: One final question.

You know, when we get into the collective bargaining parts of that act from last year, do you think that the average lifelong farmer is prepared to handle collective bargaining, particularly when they may be up against, you know, career labor union lawyers and organizers?

MR. WILLIAMS: We've done our honest best to try to educate as many people as

possible by doing road shows, meetings, training sessions with lawyers. But we touch probably 20 percent of the farms out there.

Farms don't have HR departments, they don't have counsel's office. This is a whole new environment to them. They are more equipped than they were last year, but they are still poorly equipped in order to deal with negotiating or having a labor union on the farm.

SENATOR SEWARD: Well, I appreciate your candor in answering my questions. And as I said earlier, we've got to keep our farmers farming. That's good for the environment.

MR. WILLIAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you. Thank you. Thank you for your testimony here.

Before we call the -- I'm going to ask the New York Farm Viability Institute to come down, David Grusenmeyer, executive director.

And I wanted to acknowledge that Assistant Speaker Felix Ortiz joined the

committee some time ago.

MR. GRUSENMEYER: Thank you. I want to thank the Senate and Assembly for this opportunity.

I'm David Grusenmeyer, executive director of the Farm Viability Institute. We are an independent nonprofit dedicated to helping farmers become more profitable and improve the long-term economic viability and sustainability of our state's farms, the food system, and the communities which they serve.

Since 2005 the institute has received a legislative appropriation to fund a competitive grant program serving all agricultural production sectors in geographic regions of the state. We appreciate the Legislature's confidence in the organization and have worked hard to meet the highest-priority needs as well as emerging threats and opportunities of New York agriculture.

The NYFVI board is happy to say that we have not disappointed. As a conservative estimate, we have documented a more than

$7 return to farm businesses for every dollar reimbursed to our projects. Much of this success is attributed to our rigorous proposal review and selection process that is focused on farmer involvement. We currently have over 100 farmers reviewing 56 proposals submitted this year from 25 different organizations requesting over $5.5 million.

In the past, these review panels have guided the institute to fund many innovative and high-priority projects. We funded pollinator work before there was a Pollinator Protection Plan for New York. We have funded soil health projects since 2005, our first year in operation. And over the years we have invested over $3.6 million in 41 projects that had soil health components.

In 2017 we supported research to help develop alternatives to chlorpyrifos for cabbage maggot control.

In a project also started in 2017 that was recently completed, we funded the development of an algorithm to reduce the use of antimicrobials in dairy. The result was a

60 percent reduction in antibiotic use on the demonstration farms. Now we are following up with three demonstration projects to roll the practice out to more farms. By the end of 2020 we hope to have 40,000 cows being managed using this protocol.

We are currently funding projects studying the use of ultraviolet light as a nonchemical control for diseases and insects in vegetables and hops.

I wanted to cite just a few examples; there are many more.

We're also prioritizing building connections and collaboration between researchers in different institutions, including Cornell, University at Buffalo, RIT, RPI, University at Albany, to more effectively address ag research needs. Currently the farmers on our review panels and our board of directors have commented on the high quality of the 2020 pool of proposals. It's shaping up to be a very competitive year.

With level funding from last year, we

will only able to fund 15 or 16 of the proposals submitted, leaving on the table lots of important high-priority work that would help farmers in their struggles to produce the high-quality food we've become accustomed to.

This concludes my remarks. I'm happy to answer any additional questions or provide additional information.

CHAIRWOMAN WEINSTEIN: Questions? Questions? There are no questions.

Thank you for being here. And your testimony, as is all of the testimony that's provided to the members, is circulated not only to the members who are here but to all the members of the relevant committees. Thank you for being here.

MR. GRUSENMEYER: Thank you.

CHAIRWOMAN WEINSTEIN: Is the New York Wine and Grape Foundation here? I heard they may have left. I guess not.

American Farmland Trust, Samantha Levy, New York policy manager.

MS. LEVY: Good evening. Thank you

all very much for still being here, and thank you for the opportunity to testify.

My name is Samantha Levy. I am New York policy manager for American Farmland Trust. For those of you that don't know us, we're a national nonprofit working to save the land that sustains us.

So we've heard a little bit about the challenges that our farmers are facing. In New York we've lost the equivalent of 5,000 farms since 1980. But we've taken a lot of really important actions to stem that tide in past budgets, and I'd like to thank you so much for your support for those programs.

I'm going to speak about a few programs now in this year's State Budget, just to help address some of the challenges that we're facing. I'm sure you've heard me say before that our farmers are aging. About a third of our farmers are over the age of 65, and that represents just under 2 million acres of farmland that will change hands over the next decade as our senior farmers retire.

And when that farmland changes hands, it becomes vulnerable to being lost to development.

So some of the important programs that we fund here in the State Budget, like the Farmland Protection Program and the EPF, and Farmland for a New Generation in the agriculture budget, have been very important and will continue to be important in the future.

So first I'll talk about the Farmland Protection Program. This is an immensely popular program that permanently protects farmland while investing in farm businesses, securing our local food supply for folks in New York City and elsewhere, while also helping to pass farms to the next generation and helping to combat climate change.

We just celebrated a milestone of 75,000 acres protected, but it's not nearly enough. And on page 4 of my testimony -- which is quite long, so I'm not reading it -- but on page 4 of my testimony you'll see a

list there of hundreds of farmers across New York interested in protecting their farmland and competing for a limited amount of funds.

Now, earlier Senator Metzger and Assemblywoman Woerner asked questions of the commissioners about a $1 million proposed cut to the Farmland Protection Program. Given the high level of demand for this program and the important actions that it takes to help our farmers, we're really hoping that that funding will be restored to $20 million from 17, where it was proposed by the Governor. It was at $20 million a couple of years back.

We think this is really important. We also, like many of our partners, don't support the language. And thank you so much for your work last year to ensure that the EPF funds all go towards these projects and not towards agency expenses.

And then finally, the bond act. We do think that farmland protection is an opportunity that we should explore in the bond act. Right now it's not included in the

language. So we just wanted to bring that to your attention, given the high level of demand for these funds.

Second, Farmland for a New Generation. I'd like to thank so many of you for your support -- Senator May, Assemblywoman Fahy -- for your support for this program. This is a partnership between AFT, the Department of Ag & Markets, and many organizations across the state to help diverse farmers find land in New York and senior farmers to pass their land to the next generation.

It has two components, a resource center and land-linking website, and then a network of organizations across the state called regional navigators, who are there to give one-on-one help to farmers to find land or to senior farmers to plan to pass their land on to the next generation.

And within one year we've had immense success with this program. Over 13,000 have visited the website, over 1500 have received one-on-one support, and we've produced 36 matches so far, spanning nearly 900 acres.

And that includes GrowNYC as a regional navigator in New York City, and they're helping farmers establish new businesses in the city and in upstate New York as well.

We're relying on your support again this year. We're asking for $600,000 -- 200,000 for the resource center and then 400,000 to support increased demand for regional navigators. We now have 27 -- we had 20 -- and they're instrumental in making matches.

Finally, Farm to School. I know I only have 30 seconds left, but it's so important. Today we released a big report. We've been evaluating the 30 percent initiative and we've been doing a lot of research on that. I won't go into what the program does, and there are findings in my testimony on page 8-12. You can find the full report online.

But essentially, if we provide schools with the right support this year, our research shows that 72 percent of schools feel confident they'll increase their

purchases of New York food to 30 percent by 2024. And that would cause $150 million spent at the farm gate by schools and increase access to healthy local food for over 700,000 students. And there are recommendations in my budget for how we can achieve that right support this year.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Assemblyman Ortiz.

ASSEMBLYMAN ORTIZ: Thank you, Madam Chairwoman.

I just would like to really commend you because finally I'm hearing talk about Farm to School. I happen to be the legislator who passed that bill, Farm to School, and I'm very proud of that bill. I do believe that we need to do more.

And I see the progress of the piece of legislation and I think that schools have managed to begin to do their own farming, which I'm very proud. My own district, in Sunset Park and Red Hook and Park Slope, we do have some of the gardens that we began to

put together. And it's as a result of the Farm to School bill that I passed many years ago.

So it's great to see the fruit of the seed that we put in the ground, and I commend you for continuing to do this work and the vision to make sure our children continue to be healthy.

Thank you very much.

MS. LEVY: Yeah, thank you. And may I just quickly say that school gardens are so helpful when it comes to Farm to School and teaching kids about where their food comes from, not just the supermarket, but from the ground and from farms.

And this report really does research the new 30 percent initiative which builds on the actions that you've taken, and really helps unlock the potential for our schools to spend more money on food from New York farms and feed kids with that healthy local food.

ASSEMBLYMAN ORTIZ: Thank you very much.

CHAIRWOMAN WEINSTEIN: Thank you.

Senator May.

SENATOR MAY: Oh, yeah, thank you.

Thank you, Sam. So I'm sure you're aware of the research that shows that certain food choices have outsized impact on carbon emissions and climate change. And I'm wondering if -- because I hear this from -- especially from young people a lot about this, so I wonder if that is translating into changes in consumer behavior in terms of what commodities people are buying.

And do you think about helping, say, beef or pork or even dairy farmers transition into lower-carbon options if the demand is shifting?

MS. LEVY: Yeah, there are a lot of questions there. Certainly we are working to help our farmers adopt soil health practices and more regenerative farming practices -- things like planting cover crops, reducing their tillage in the field to reduce the release of carbon into the atmosphere -- and continuing to help farmers with rotational

grazing projects.

I can't speak too much on consumer demand. I know that there are shifts happening in consumption of food based on some of these concerns. When I look at Farm to School, because that's what I can speak to at this moment -- you know, for instance, Buffalo Public Schools, while they did increase their purchasing of ground beef to make the 30 percent for burgers, they also increased their purchasing of fresh fruits and vegetables. They doubled their purchasing from -- jeez, now I'm going to say maybe 10,000 off. But I think that they increased their purchasing to $700,000 from $300,000 as part of this initiative.

So I think that because in New York we grow the full plate -- you know, in addition to meat and dairy we also grow fruits and vegetables -- that these types of initiatives, Buy New York initiatives, can help in that direction.

SENATOR MAY: Great. And can you also comment -- you know that we're -- the Rural

Resources Commission is working on Farm to Institution, so going beyond the schools to SUNY campuses and state hospitals and nursing homes and other institutions. Is that something that you see the capacity to support?

MS. LEVY: Yeah, absolutely. We're really excited that you're interested in looking at SUNYs and to other institutions to purchase more New York-grown food.

In my testimony I mention that we lead the collaborative initiative Farm to Institution-New York State. We've done a lot of research on what institutions are spending on New York-grown food, and particularly our SUNYs.

So we think that one of the main things we can do is to set up a network of farm-to-institution coordinators. We're focusing on farm-to-school, but they really can serve to help other institutions too, across the state, who have really helped schools become so successful in Farm to School.

And so building -- creating that support network, but then building off of that network to increase farm-to-institution purchases to hospitals and SUNYs and others will be really important in future years. But a first step is to build on this initiative and create that support network across the state to start making those connections.

SENATOR MAY: Great, thank you.

MS. LEVY: Yeah, thank you.

CHAIRWOMAN WEINSTEIN: Assemblywoman Fahy.

ASSEMBLYWOMAN FAHY: Thank you. Thank you, Madam Chair.

You covered a lot in your short testimony. I just have a quick question. We've read a lot these last few days about the Trump administration proposing some -- it sounds like rather serious changes in the school lunch program. And I'm wondering if that impacts any of the Farm to School programs that you've made -- that we've made such tremendous progress on, not only with

healthier food but certainly food that is locally grown.

Are you impacted by any of these proposed changes at the federal level?

MS. LEVY: Yeah, undoubtedly we are a national leader in this, in farm-to-school and then also, in that way, helping to increase healthy food for kids and schools.

I don't think -- to answer your question directly, I don't think that those proposed changes will have a real impact on our schools' ability to purchase New York-grown food. But I do -- you know, because of course, like I said, we grow the full plate in New York State. So I think schools will still be able to buy New York-grown food even with those proposed changes.

However, you know, we do want our schools to purchase more fresh and minimally processed foods. So anything that we can do there to help them either in this proposal or thinking to future proposals will be really important.

But one of the most important things that we can look at from a state law perspective, from a federal law perspective, is really the procurement regulations. And this is going to get a little weedy. But our schools really need to follow an immense amount of regulations when it comes to how they procure their food -- federal, state and local. And that was one of the main things we found in this report was following this patchwork of regulations really hamstrings them to be able to spend their food dollars at New York State farms.

So I didn't get to say this in my testimony, but the Governor did propose language in the TED bill, on page 262, to increase the flexibility schools have to spend food dollars at local farms. I won't go into all the details, but basically it increases the small-purchase threshold, which is lower in New York than the federal threshold at $250,000. Schools can spend more dollars on food from New York farms that way.

ASSEMBLYWOMAN FAHY: Thank you.

I just would appreciate it if you'd keep us posted on this, because of the weakening of the standards at the federal level on the quality of the school lunch program. I want to make sure that it doesn't lead to any rollback in the momentum that you have on the Farm to School. Thank you.

MS. LEVY: We'll keep our eye on it.

ASSEMBLYWOMAN FAHY: Thank you.

Thank you, Madam Chair.

CHAIRWOMAN WEINSTEIN: Thank you for being here.

MS. LEVY: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: So next we have Elizabeth Moran, environmental policy director, New York Public Interest Research Group.

CHAIRWOMAN KRUEGER: And then for people who want to move up front, Riverkeeper and Scenic Hudson will be a panel after Elizabeth Moran.

CHAIRWOMAN WEINSTEIN: And whoever

else is with Elizabeth. So just identify yourself first.

MS. MORAN: Yes, absolutely.

So my name is Liz Moran. Thank you. Good evening. Pleased to be testifying today. My name is Liz Moran, I'm the environmental policy director for NYPIRG, the New York Public Interest Research Group, and I am joined by --

MS. OLVER: Charlie Olver, a policy associate from NYPIRG as well as a student from SUNY New Paltz.

MS. MORAN: Great.

So this year will mark the 50th anniversary of Earth Day, making this year's budget and legislative session a particularly critical one to show New Yorkers as well as the rest of the country what it means to truly lead on protecting public health and the environment. And this is especially important as we're in the midst of a global climate crisis. As we speak, Australia is seeing wildfires that are unparalleled. And additionally, recently we

found that the past decade was the hottest on record. Which is why it's so important that we now make record investments in our environment.

So the proposed "Restore Mother Nature" Bond Act is a very important proposal, but we are strongly recommending that funding is increased to this proposal. We concur with some of our colleagues that a minimum of a $5 billion investment should be bonded for the purposes of protecting our wetlands, fighting climate change.

Additionally, like the 1986 bond act, we think that there should be more specificity in terms of how the program is delineated.

And we also are strongly encouraging that the Legislature consider a "polluter pays" approach to this. The bond act should not be paid back by the public, it should fall upon the polluters responsible for our climate crisis: The fossil fuel industry. There's legislation that is carried by Senator Krueger and Assemblyman Cahill that

would end fossil fuel subsidies in New York State. And that's just one way that this could be done, amongst a number of ways we could hold polluters accountable, the payback for this bond act.

There are several other issues in the budget related to fighting climate change and protecting water quality and fighting plastic pollution. One of these is the ban on fracking in statute. We made the right move in 2015 to ban this dangerous practice and have since affirmed our decision that it was the right one to make.

But we think that this ban could be strengthened. We do think the volume that's listed should be lowered from 300,000 to 80,000 gallons. And we need to make sure that it's not just water fracking that is included in this ban; it should also apply towards propane gel.

But not only does that need to be addressed. New York State still has a problem with fracking waste. Fracking waste was one of the many reasons why here in

New York we banned fracking, and yet we still accept hundreds of thousands of tons of fracking waste every year.

CHAIRWOMAN KRUEGER: I just want to make sure you know it's five minutes for the two of you, so you want to make sure you leave her some time.

MS. MORAN: Yes, I got it.

CHAIRWOMAN KRUEGER: Okay, thank you.

MS. MORAN: Thank you.

So despite this, we still accept fracking waste from Pennsylvania. And there's a way that we can address this, and that's by closing a loophole known as the hazardous waste loophole. Legislation to do this passed with broad support in the Senate last year, and we strongly encourage the Assembly to do so this year.

I'd be happy to address some of the comments made by Commissioner Basil Seggos today at another time.

And to conclude my portion, we strongly support addressing polystyrene, and we think that also could be strengthened to

include rigid polystyrene, prepackaged food, and we don't believe there should be hardship exemptions. We also think it could go into effect faster by 2021.

And I'm concluding by turning this over to Charlie to talk about why we are advocating for $1 billion to be invested in the Clean Water Infrastructure Act.

MS. OLVER: So 20 billion gallons of raw sewage and polluted stormwater overflows into the New York Harbor every year -- 1.2 billion gallons are discharged into the Hudson from the Capital Region alone annually. And last year 7.2 million gallons of sewage overflowed from Newburgh in one instance, in a 48-hour period.

As a Westchester native my summers revolved around swimming in the Hudson. I was in that river no less than 20 times a year. How many accidental gulps must I have taken, you know?

Sewage overflows have been regarded as just that thing that happens every year, but this cannot remain as just that thing that

happens. Safe drinking water is one of our most fundamental needs, and a new $1 billion allotment towards water quality is necessary to not only protect our rivers but to protect citizens from harmful contaminants, algal blooms and sewage overflows, as New York consistently faces these issues statewide.

CHAIRWOMAN KRUEGER: Thank you. Thank you both very much.

MS. MORAN: Thank you.

CHAIRWOMAN KRUEGER: Thank you. Any questions? Appreciate it.

CHAIRWOMAN WEINSTEIN: Assemblyman Englebright has a question.

CHAIRWOMAN KRUEGER: Oh, excuse me.

ASSEMBLYMAN ENGLEBRIGHT: So thank you for your testimony.

I agree that the ballot question on the environment is too small at 3 billion. Are you planning on issuing a statement calling for the larger amount?

MS. MORAN: Yes. We as part of our testimony have called for a minimum of 5 billion to go into the "Restore Mother

Nature" Bond Act.

ASSEMBLYMAN ENGLEBRIGHT: I think it would be very helpful, because you play the role of a very important third-party validator. So I hope that you do that. I hope you bring the conversation into conjunction with your fellow environmental organizations, and that we have a consensus emerge.

The Nature Conservancy has shown us that the $5 billion, with their poll, is viable. So I look forward to seeing the paper that you're going to issue on that.

Thank you.

MS. MORAN: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Next we have New York Riverkeeper and Scenic Hudson in a panel.

Evening.

MR. CHERSON: Good evening.

CHAIRWOMAN KRUEGER: You get to choose who goes first.

MR. BICKING: I've never met this guy

before --

MR. CHERSON: Never.

MR. BICKING: -- but I like to be nice to strangers.

(Laughter.)

MR. CHERSON: Never heard of Scenic Hudson.

(Laughter.)

CHAIRWOMAN KRUEGER: All right.

MR. CHERSON: My name is Jeremy Cherson. I am the legislative advocacy manager for Riverkeeper. And thank you so much for the opportunity to present here today.

Riverkeeper protects the Hudson River and the drinking water supply for millions of New Yorkers. And I agree with so much of what my colleagues in the environmental community have said here today. We are very supportive of the bond act and the goals and categories laid out in the Governor's proposal.

To answer Mr. Englebright's question from earlier, I think Riverkeeper would be

fully supportive of an increased bond act, given some of the needs that we face.

One of the issues that you'll see in the appendices of our testimony is a look at the species decline in the Hudson River. We looked at 19 species, and almost all of them are in decline, one of which is extirpated from the Hudson. The only species that we looked at that is doing somewhat well is the Atlantic sturgeon, and that's it. All the other ones are declining due to overharvest, climate change. And even the striped bass is suffering, one of the most important fishes for the sportsmen community.

So one of the things that we really agree with our allies within the environmental community is the need to understand how the money is going to be spent in the different categories. I think that's going to be very important in order to sell the public on the need for this bond act, and the importance of natural solutions to flooding and future climate impacts.

And we're also very supportive -- like

Roger Downs gave a very deep dive into Part TT of the TED Article VII on the wetlands change. We've been very supportive for years on Mr. Englebright's bill to reduce the threshold to one acre, and we still call for that change. It is needed, particularly with what the Trump administration has done just last week with the "Waters of the U.S." rule.

We have no idea what the Army Corps is now going to have jurisdiction over in New York. Whereas, the Army Corps used to step in and protect smaller wetlands, they may no longer do so. And so it's going to be a challenge for New York to make sure we don't lose those acres of wetlands that are important -- because one acre of wetland can hold a million gallons of water. And so that's vital as storms get more intense and more rain falls.

I also want to get to a great question you asked, Senator Krueger, of Commissioner Seggos on the Army Corps HAT study. We have been calling for DEC to get more involved in

that study and to put their thumb on the scale in regards to the alternatives that the Army Corps has laid out, including that over $100 billion sea gate that was proposed and President Trump tweeted about. It's deadly serious.

The Army Corps is only able to look at impacts on the environment directly at the building site of those gates. They cannot look at the environmental impacts beyond the building site. So all the fish that come up the Hudson River from the ocean -- the striped bass, the herring, the eels -- that impact to our economy isn't looked at. The backup of sewage from the 20 billion gallons that's released every year into New York Harbor, getting backed up behind those gates, they can't look at that.

And so for DEC to not come out and say that they have a preferred alternative after the Army Corps has been looking at this for years, and the DEC is paying for 25 percent of a $20 million study, that's just unacceptable. And we need to be calling on

DEC to get more involved and to alert the public in the state that these studies are happening and to get engaged and to make their voices heard.

I also want to thank the Legislature for the work on the Clean Water Infrastructure Act over the years. Adrienne was spot-on that it started with a trickle and now it's a flood. And we have to keep that going. We have so much need. We have communities in the Hudson River, the Hudson 7, which is seven communities in the Mid-Hudson Valley, 100,000 people that get their drinking water from the Hudson, that are working together and pooling resources to protect their water quality and using funds from the Clean Water Infrastructure Act to not only improve their wastewater systems, but also to improve their drinking water systems and the quality of drinking water to their residents. So thank you, and we urge you to supercharge that funding line.

Thank you.

CHAIRWOMAN KRUEGER: Thank you. Next?

We'll ask questions, if we have questions, after you both speak.

MR. BICKING: Sounds good.

Thank you for the opportunity to speak. And congratulations on making 2019 a banner year for the environment in so many ways. There's much to celebrate.

I think where we are with 2020 is we're kicking off with clear vision, and we're very excited. By way of introduction Scenic Hudson works across most sectors of the environment, including conservation, climate, energy development, contamination reduction, stormwater management, agriculture, habitat restoration, parks, and yes, even community and economic development.

But to keep things brief, I will focus my comments right now on the bond act and the Environmental Protection Fund.

The bond act is a huge opportunity for all of us to leave a legacy for our children, grandchildren and future generations. As you've heard, it's likely to have strong support provided your leadership, in

collaboration with the Governor, is in place. In your conversations with the Executive, we encourage you to clarify project types and allocations to major categories and final legislative language, but also be sensitive and understand we want to achieve some balance and some flexibility in the fund so we can respond to future challenges that we may not quite be aware of yet.

We also echo that it's important to get the messaging right and to make sure that the bond referendum language in particular can be easily understood by voters.

Two projects in the proposed bond act stand out that we have been in conversation with the Executive about, I'd like to talk about. First, the Hudson Eagles State Recreation Area, spanning from Hudson to Rensselaer linear park, reaching many underserved communities in this stretch of the Hudson Valley where we really need more public access. Old boat launches, old parks are literally crumbling. There's infrastructure there that really needs to be

updated, and the time has come for a coordinated, multi-agency approach to fixing that problem.

And second, habitat restoration. The Hudson River has been damaged in many ways over the years, and I'm glad to say that the DEC, working with partners, has developed a habitat restoration plan for the river that is ready to be implemented provided the capital is in place.

With respect to the Environmental Protection Fund, you know the difference $300 million can make, and I thank you for previous years' appropriations and ask you to consider this the baseline investment in this year's budget to complement the bond act.

I also echo the request to reverse the proposal to use the capital fund in the EPF for staff and would like to note some of the cuts that do exist for the Open Space Land Acquisition line and Farmland Preservation lines and ask that you make restorations where appropriate.

We also would like to note that

ecosystem services in the Hudson Valley from open space are valued at $3.5 billion alone, just in the Mid-Hudson region, but yet two-thirds of that land remains unprotected. So let's just think about that for a moment. What legacy would we be leaving for future generations if we leave two-thirds of our open space -- and the many benefits it brings -- unprotected?

Specific to the EPF, in conjunction with bond act funding, there is in the Executive Budget a proposed new 500-acre state park in Kingston, Ulster County. This land is currently owned by Scenic Hudson, and we are very excited for a collaboration with State Parks to protect over a mile of waterfront, really put it towards public use in State Parks' hands. And this is really a great opportunity. It's within walking distance of many residents of the City of Kingston, and really an incredible opportunity for the people who live there.

And second, the Governor has proposed in his State of the State book a State Park

Expansion and Upgrade Initiative that will target 4,000 acres of land in the Mid-Hudson region next to seven state parks. This includes the purchase of the 945-acre Scofield Ridge property in the Hudson Highlands in Putnam and Dutchess Counties, also owned by Scenic Hudson. State Parks' acquisition of this will add this land to the Hudson Highlands State Park and leverage federal dollars from the Highlands Conservation Act.

In closing, I would also like to point out two new subcategories in the EPF that do not compete with existing funds that are very important. That is the new Land Trust Alliance Conservation Easement Program, largely focused on forests, as well as the State Land Stewardship/New York Natural Heritage Program Protected Area Database, very important baseline information and data to help conservation professionals around the state do their job.

So with that, I appreciate your historic leadership and really look forward

to working with you this year on many issues.

Thank you.

CHAIRWOMAN KRUEGER: I have one Senate question, thank you.

I know it's not necessarily addressed in the budget, but what's happening with the polluted areas of the Hudson where GE pulled out before they completed the assignment? Is there any good news, anything happening?

MR. BICKING: That's a great question. I noted that that question was asked from Senator Hoylman earlier today to Commissioner Seggos. And there is contamination in hotspots that remain in the Upper Hudson. It remains a grave concern to Scenic Hudson and Riverkeeper and many of our partners. We continue to pressure the EPA to do something about it.

The state's Attorney General and Governor should be commended for the lawsuit that they have filed to try to reverse that. We do note that there may still be opportunities for the state to get involved and find ways to reduce contaminants in that

region through some targeted cleanup of their own. That's something we would very much like to explore, and we have chatted a little bit with the DEC about.

I'll also note that the natural resource damage claim and assessment has been ongoing with the -- between the DEC and the federal trustees. The timeline for coming out with kind of the next step in that process is not entirely clear, but we really look forward to that and we would expect that the trustees would identify a very large settlement dollar amount for the Upper Hudson, something on par with the Deepwater Horizon settlement in the Gulf.

MR. CHERSON: And we have also asked for over two years for the EPA Region 2 to initiate a full study of the Lower Hudson, because some data that we've collected has found that as you get farther away from the cleanup effort that was done north of the Capital Region, the effectiveness goes down as you move downriver.

CHAIRWOMAN KRUEGER: That's why we

should have addressed it at the time it happened, as opposed to still be dealing with it. And yes, it points to the obvious that this funny thing about air and water, it moves. It doesn't stick in one place for us to do something about it.

Any Assembly questions?

CHAIRWOMAN WEINSTEIN: No.

CHAIRWOMAN KRUEGER: Thank you very much both for being here tonight. Appreciate it.

MR. CHERSON: Thank you.

MR. BICKING: Thank you.

CHAIRWOMAN KRUEGER: Our next panel, the Land Trust Alliance and the Open Space Institute.

And then if people are looking at their scorecard, that will be followed by a panel of three groups from the Adirondacks.

MS. HANLEY: Good evening. My name is Meme Hanley. I'm the New York program manager for the Land Trust Alliance. On behalf of the state's land trusts and their champions, thank you for your leadership and

commitment to protecting open space.

I wanted to start with a little bit of background on who land trusts are and what they do. Land trusts are nonprofit organizations that as all of or part of their mission actively work to conservative land or steward land. We have about 85 in New York State, and they are making a sizable impact in our communities. They've helped to conserve 2.7 million acres. They have 10,000 active volunteers. And they are serving more people in more places than ever before.

Today land trusts working in rural, suburban and urban areas and are identifying ways land trusts can have tangible benefits to their communities. Land trusts have the local knowledge, technical expertise and commitment to perpetuity that makes them excellent partners to the state and to municipalities.

So to ensure these gains continue, and to give all New Yorkers the best chance for a healthy environment, it is imperative that we adequately fund the EPF. Thank you for your

commitment to $300 million -- or we hope for your commitment for $300 million, and we hope you will work to increase this to 500 million by 2025.

Now I'd like to highlight two important issues within the EPF: appropriations for open space and staffing. Appropriations for open space and land conservation are a cornerstone of the EPF. This funding should reflect the needs and the priorities of our state. We are concerned that the Executive Budget reduces this allocation from $33 million to $30 million. This action is building upon cuts from previous years, and the consequences are adding up. We hope you will work to restore this funding to its historic levels over time.

Staffing at state agencies must also increase, but not as part of the EPF. These funds are intended and have always been used for capital expenditures, not for operating expenses of the state.

So now to our specific requests.

First, the Conservation Partnership Program. Continued investment will advance the state's conservation objectives with projects that are developed locally and supported broadly.

The CPP is a model of efficiency. It has tangible impacts for communities and directly advances the Open Space Plan. And it has awarded grants exceeding $19 million, but it has leveraged at least $20 million in local matching funds. It has supported the protection of tens of thousands of acres and touched probably as many lives.

So knowing this, I hope you will continue funding the CPP at $2.5 million. In addition to my written testimony, you'll find a few recent project highlights and a full list of the 90 organizations that have participated over the years.

So moving on to farmland, by working with land trusts to conserve ag lands across the state, the EPF has helped preserve an important part of our economy and a way of life for farm families. As farmers grow

older and issues of farm succession become even more acute, your work to ensure our farms stay in production is vitally important.

So we urge you to ensure this work continues and ensure that it is well-funded at $20 million.

We also see the need to begin protecting forests as a complement to our farmland efforts. The reasons are straightforward. Forests store carbon dioxide, they filter water, they provide jobs and they provide important habitat for wildlife and recreation for people.

And while we have large, publicly owned forests, 75 percent of forests in New York are privately owned. These lands are owned by families who are now facing some of the same challenges as farmers. Their lands are at risk for conversions at a time when New Yorkers need them most. Forests are our first line of defense in a changing climate, and these are risks not felt just by forest owners, these are risks for all

New Yorkers.

So the proposed Conservation Easement Program for land trusts would be a meaningful and efficient step in addressing this problem. We urge you to fund the Conservation Easement Program at $3 million.

MS. MOSER: I'm going to cut in really quickly. I'm Kathy Moser. I'm senior vice president at the Open Space Institute for parks and policy.

One of the things that makes the Open Space Institute unique in our parks program is that we are going to invest $10 million of private money on public lands in 2020. And we are incentivized, and our donors are as well, by some of the grant programs in the Environmental Protection Fund, so we appreciate it being at $300 million.

We also are very supportive of the Mother Nature Bond Act. We'd like to see more details from the Governor's office before we can judge whether or not $3 billion is enough money, and so we look forward to

working with the Legislature and the Governor's office to detail some of those issues.

And then of course, you know, in the budget there's 47 staff for DEC and 22 for State Parks. I'd like to hope that this is the beginning of an increase for those state agencies that are really desperate. People have been talking about the new wetlands laws and how many more staff are going to be needed to make sure that New York is protecting those wetlands.

So I'll stop there.

CHAIRWOMAN KRUEGER: I know I have at least one question. I think you were trying to answer it. So you believe that the Governor's bond act should provide funding for the conservation work you were discussing both for forestland and farmland. It seems to me a natural, with something you're calling the Mother Nature Bond Act.

But is it your understanding that these kinds of programs would be included and could be expanded under that funding?

MS. MOSER: That's our understanding, especially land that would help with mitigation of flooding with resiliency.

I think the thing that we all have to be careful about is a bond act is supposed to be used for anything that has a 10-year life span or more. You know, so there's been talk about things that don't qualify.

So I think that's one of the things that we're going to have to work on with the Governor's office, is what does qualify for a bond act. But land certainly would.

CHAIRWOMAN KRUEGER: Thank you.

Assembly?

CHAIRWOMAN WEINSTEIN: Assemblyman Englebright.

ASSEMBLYMAN ENGLEBRIGHT: Yes, thank you.

Are -- I didn't see you actually mention this; I'm sure you're aware that the Executive Budget is proposing cuts to land preservation. I hope you take a strong position on that in your communications to the Executive.

MS. MOSER: Right, that's in our written testimony. But Meme mentioned it as well.

It's been as high as $66 million annually, and now it's down to 30, and there's some programs put in that line item as well. So it's been reduced.

ASSEMBLYMAN ENGLEBRIGHT: It has, and it shouldn't. And we still have something to say about that if our third-party validators get active, so I'm urging you to do so.

And regarding state lands, I'm hoping that we can move toward a new category or subcategory of state land, possibly certain state forests, as designated pollinator preserves or reserves. Obviously we really have a need to do that, given the problems that our pollinators are experiencing. And so I'd love to work with you guys on that as we go forward.

MS. MOSER: I would just add, it's one thing to buy the land, but for pollinators you really need to do some stewardship on the land as well to make sure that you have the

right species that the pollinators need.

ASSEMBLYMAN ENGLEBRIGHT: Yes. Absolutely. Thank you for your testimony.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Thank you both.

MS. HANLEY: Thank you.

CHAIRWOMAN KRUEGER: Thank you for being with us this evening.

Our next panel, again as I mentioned, it's three organizations representing interests in the Adirondack Park -- the Adirondack Council, Protect the Adirondacks, and Adirondack Mountain Club. And you all can decide in what order you wish to go.

And for people who are still following the TV Guide version of our day, Preservation League of New York State will be next up after the panel, then Parks & Trails New York. I'll stop there for now.

Good evening.

MR. CHLAD: Okay, thanks so much. I'll go first. Kevin Chlad, director of government relations for the Adirondack Council. Just a couple of points from our

written testimony.

The Governor's done great work promoting our Adirondack Park, with a 25 percent increase in visitors since 2011. That's over 12.5 million visitors every year now. And as a result of that trend, we're seeing impacts to our natural resources, to visitor safety, and to the wilderness experience that people are driving long distances to have.

And so therefore we are challenged by success, and there are a few opportunities in this budget to address that. The Governor recently acknowledged that there are limits to what the resources can withstand, and there's a -- the DEC recently announced a High Peaks Strategic Advisory Group that will come up with comprehensive solutions to address the high use we're seeing in the High Peaks and elsewhere in the Adirondacks, but those solutions are going to require funding and staffing.

And so with that I'll just note that we support an EPF of at least $300 million as

we work towards a $500 million EPF in 2025. We do oppose the proposed language to offload staffing expenses under the EPF. We also similarly oppose the transfer of RGGI allowance proceeds, auction proceeds to the EPF for EPF purposes. Greenhouse gas reductions and climate resiliency work should go hand in hand and shouldn't go head to head.

And we support the state land stewardship line increase in there. There is a subcategory that we support, but we also want to support funding for wilderness preservation and stewardship under that category.

And with the bond act, we support the $3 billion that have been proposed, but we believe that the Legislature should take a much closer look at adding specificity to the allocation of resources, and stewardship is where we should look to allocate some of those resources.

CHAIRWOMAN KRUEGER: Hi.

MR. BARRETT: Hi, good evening.

Michael Barrett, executive director for the Adirondack Mountain Club.

We too commend the Governor on the $300 million proposed for the EPF. We would like to see dedicated funds for stewardship for trails in the High Peaks, that we think that is very important, particularly as we look at high-use issues.

We were very pleased to see 16 proposed staff to DEC for enforcement. We really hope that some of those are for Forest Ranger positions. You know, the Forest Rangers, as you well know, provide for the care, custody and control of 5 million acres of DEC-administered public lands. They are responsible for twice the amount of acreage as they were 50 years ago. The Adirondacks, which they cover, is 6 million acres, but we only have 50 rangers. By comparison, Yellowstone is 2.2 million, a third of the Adirondacks, and they have 330 full-time rangers. So we really hope for an increase there.

The last issue I'm going to talk

about -- and Senator Krueger, you've been the leader on this last year -- is the issue of ticks. The Executive proposed budget does not include any funding. We're asking for $1.5 million for education, prevention and treatment for ticks.

Here's the issue. Twenty-five years ago it just used to be an issue for the Lower Hudson Valley. Now it's statewide. It's the perfect storm for ticks -- the seasons are longer, there's more ticks, there's more strains. And the reason why it's so urgent now is because of the prevalence in the Adirondacks.

Paul Smith's College has found that 85 percent of the ticks in the Adirondacks are now carrying Lyme and that the Lyme rate has increased twentyfold in the Adirondacks in just 13 years. As we continue to encourage people to get outdoors, particularly in our North Country, we have to protect them. We can protect them with more Forest Rangers and tick prevention.

Thank you.

MR. BAUER: Thank you very much.

Peter Bauer, Protect the Adirondacks. And I'd like to echo the comments of my colleagues. We are also supportive of the $300 million EPF. We think the EPF should be expanded over the next several years.

We are supportive of the increase in state stewardship funds. As we've heard from many here today, use is at an all-time high in the High Peaks. Our trail system was built in the years and the decades right after the Civil War. Many of these trails have been in use for the last 150 years, and they're hammered.

We need to build a sustainable trail network in the High Peaks that are safe, that protect our environment and uphold our wilderness values. The state has begun to make an investment, a down payment in that respect, but there's much more that we need to do.

Just to echo some of the brief comments that we've heard today. We support the wetlands changes critical to the wetlands

systems in the Adirondack Park. We don't believe any state position should be funded out of the Environmental Protection Fund.

We oppose the RGGI raid. We agree that there needs to be more dollars for climate change.

In the bond act, we look for greater specificity as far as where this money is going. Open space protection, forest protection are vital and must be a major part of this bond act. And we certainly would look to expand the scope of this bond act well above $3 billion because we think there's a solid case for money spent today will reap billions of dollars of savings and benefit down the road.

So thank you very much for your time today.

CHAIRWOMAN KRUEGER: Thank you. Senate? Assembly? Is that a yes, Steve?

Steve Englebright from the Assembly.

ASSEMBLYMAN ENGLEBRIGHT: Thank you for your comments.

The bond act is one thing that I'm

particularly focused on. We've been waiting for an opportunity. The Governor is giving us an opportunity. I'm hoping that he will be open to some of the suggestions that you and others have made here today.

I'm hoping also that as we attempt to follow through on what you're suggesting in terms of the devil in the details, will you -- my question is will you provide us with some suggested project criteria and guidelines that we could review and hopefully help translate into some of the details that are not yet fully formed?

MR. CHLAD: Absolutely, Assemblyman. And you've heard a common theme here from all three of us that stewardship is a priority right now in the Adirondacks.

And one thing that I could point to -- and my colleagues may have other things to recommend as well. But on page 2 of our testimony we have the six best management practices for wilderness management, and that presents a comprehensive vision for how we should be managing our wilderness lands. And

so there are lots of ideas, just thinking holistically about what we need to do, in those six best management practices from which we can draw a lot of different detailed proposals for the bond act.

ASSEMBLYMAN ENGLEBRIGHT: We would welcome a chance to look over your suggestions.

MR. BAUER: One of the best benefits for bond act spending we think is open space protection. And that will have enormous benefits for climate change down the road. A mature forest, a forest that is able to grow over the next 200, 300 years, you know, is a wonderful carbon sink. So we think an investment of $500 million, $600 million in open space protection in forest systems in New York is certainly merited.

ASSEMBLYMAN ENGLEBRIGHT: Thank you very much.

MR. BAUER: Thank you. Thank you, Chairman.

CHAIRWOMAN KRUEGER: Thank you very much, gentlemen.

Next we have Parks & Trails New York -- I'm sorry, Preservation League of New York State. Forgive me. Are you here? All right.

Then Parks & Trails get ready to come up afterwards. Then we have the American Chemistry Council for a change of theme.

(Laughter.)

MS. TOBIN: Good evening. Thank you so much for allowing me an opportunity to speak. My name is Erin Tobin. I'm vice president for policy and preservation at the Preservation League of New York State.

Thank you, Chairwoman Krueger and Chairwoman Weinstein and other members of the Senate and Assembly who are here and may be listening. The Preservation League is New York's only statewide historic preservation nonprofit organization, and I'm here today to talk about historic preservation, to support several of the proposals in the Executive Budget, including the budgets for the New York State Office of Parks, Recreation and Historic Preservation

and the New York State Council on the Arts. Although I know their hearing is later, since I'm speaking now, I wanted to put in a good word for them.

Also echoing the many comments about the $300 million allocation for the Environmental Protection Fund. And of course we also agree that funds should not be diverted for agency staff. And we would love to see that fund expanded to $500 million by 2025.

We're also supportive of the expansion of the prevailing wage regulations that's in the Governor's TED budget bill, with exemptions for historic preservation projects and small nonprofit organizations.

And I want to note with the prevailing wage that it's really the projects that are under $5 million, the nonprofits with gross annual revenue under $5 million, and most especially projects receiving tax benefits related to historic rehabilitation -- it's really important that they are able to retain their economic development momentum and

continue to revitalize our communities.

And then I want to voice our support for the legislatively proposed improvements to our State Historic Tax Credit. And my written testimony is missing one of the other bills, but I'll send revised testimony.

But the two improvements to the State Historic Tax Credit that we're seeking is the ability to directly transfer those credits, which is mirrored in the allowed transferability of the New York State Low Income Housing Tax Credit, and then also increasing the State Historic Tax Credit from 20 percent to 30 percent for small projects, which are those under $5 million. And those are both reflected in bills in the Assembly and Senate.

And we are so very appreciative to both the Assembly and the Senate for their support of those two improvements, as well as others which we achieved last year thanks to the Legislature and the Governor, and we hope that we can move forward on one or both of those in this next budget cycle.

We also appreciate the increase of capital funds for the Office of Parks, Recreation and Historic Preservation. Our State Parks also house many historic sites, and those sites need a lot of restoration. We're very encouraged that State Parks is undertaking a survey of its buildings so that there can be a focus on maintenance and rehabilitation of the historic buildings owned by Parks.

The testimony we submitted also includes comments on the Governor's proposed Reimagine the Canals initiative reflected in his budget presentation, and it notes how historic preservation can and should play a key role in the Clean Energy Fund and our state's response to climate change.

I'm going to again echo my nonprofit colleagues here calling for more specificity in the Governor's proposed $3 billion bond act. In particular, we believe that that bond act should include funding for the historic preservation as prior environmental bonds have. If we are to save open space, if

we are to preserve wetlands, we also must promote and incentivize continued and adaptive use of our existing buildings. It's a missing piece in this bond act proposal.

Thank you for your time and attention today, and thank you for inviting the Preservation League to testify. We are happy to provide additional information on this testimony and any other historic preservation issue at the committee's request.

CHAIRWOMAN KRUEGER: Thank you.

So I do have one quick question -- or it's probably not quick, so you can get back to me. So you described in your testimony that there is a task force that had recommended changes to the canal system.

MS. TOBIN: Yes.

CHAIRWOMAN KRUEGER: And the Governor sort of swept it in with his announcement about something for the Erie Canal, but I don't understand. So apparently what that task force you referenced recommended and what the Governor recommended is not the same.

But so perhaps not for tonight, but if you could share with my office what you think the right answers are for continuing and finding new value for canal systems. Because I think he talked about Power Authority putting 30 million into the Erie Canal. Which is a large sum of money and might be justified, but I don't understand what he intends to use it for.

MS. TOBIN: We would be happy to share that information. We think it's great to invest in our canal. We think we can meet the environmental goals while maintaining our historic authentic canal system.

CHAIRWOMAN KRUEGER: Thank you.

Anyone else?

CHAIRWOMAN WEINSTEIN: Assemblyman Englebright.

ASSEMBLYMAN ENGLEBRIGHT: Did you see the opinion piece in today's New York Times on historic preservation?

MS. TOBIN: Yes, I sure did.

ASSEMBLYMAN ENGLEBRIGHT: Did it light your hair on fire? It did mine.

MS. TOBIN: (Laughing.) It felt a little bit like clickbait.

I would say that along with many of my preservation colleagues around the state and the nation, we've been preparing a response to that.

And indeed the Preservation League -- that Times editorial notes the challenges with solar panels on historic buildings. We actually have on our website resources for owners of historic buildings who wish to place solar panels on their historic structures and do so in a sensitive way.

The preservation community is very supportive of renewable energy. We actually put together a panel for our statewide preservation conference that included Scenic Hudson. We've talked to NYSERDA. So we're very supportive of renewable energy. That editorial was -- presented one very extreme viewpoint which we take issue with.

ASSEMBLYMAN ENGLEBRIGHT: It's the lead editorial today.

MS. TOBIN: Yes.

ASSEMBLYMAN ENGLEBRIGHT: It is extreme. It says such things as historic preservation and practice is not about preserving history, it's about preserving the lifestyle of affluent urban elite.

That's not consistent with our tax program in this state, it's not consistent with the history of our preservation efforts. And it shouldn't be what shapes our commitment to historic preservation in this budget.

So thank you for your testimony today.

MS. TOBIN: Absolutely. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Next up, New York Parks & Trails. Again, followed by American Chemistry Council, followed by Green Education and Legal Fund.

MR. COTE: Good evening.

CHAIRWOMAN KRUEGER: Good evening.

MR. COTE: Thank you, distinguished members of the Senate and the Assembly, for giving me the opportunity to speak with you

all tonight on behalf of Parks & Trails New York.

My name is Will Cote. I'm the parks program director. And since 1985, Parks & Trails New York has been the state's leading organization working to preserve and enhance a network of parks, historic sites and greenways for New Yorkers to enjoy. Our network of dedicated park and trail supporters is nearly 40,000 strong.

And tonight I want to talk to you about supporting aspects of the Governor's Executive Budget, which does include important funding for New York's park system, trails system, and shared green spaces.

Specifically, we thank the Governor and encourage support from the Senate and Assembly for $110 million in capital funding for state parks and historic sites, and $300 million for the Environmental Protection Fund, which specifically includes $1 million for the park and Trail Partnership Program Grant, a capacity-building grant program for grassroots friends groups.

We encourage the Legislature to include the $110 million for New York Parks 2020 capital funding for the Office of Parks, Recreation and Historic Preservation. This investment in state parks infrastructure will continue to tackle the backlog of needed repairs and advance the revitalization of the New York State parks system. And we appreciate that OPRHP's operations budget has held relatively steady despite difficult fiscal situations.

With visitation of more than 79 million, the commitment to protect our parks and environment should be extended to funding agency staff. Targeted increases to support day-to-day operations will allow the agency to better fulfill its mission to provide safe and enjoyable recreational opportunities for New Yorkers. We request that the Senate and Assembly support the Governor's call to add new staffing positions at OPRHP, ensuring that residents and visitors alike have access to quality education and guidance and inspiration as to

how best protect and enjoy our environment for the future.

We also ask that you support the Environmental Protection Fund at $300 million. We do applaud the Governor's commitment to that and obviously would encourage future growth of that fund into the future.

Within the EPF, the Executive Budget includes $1 million for the New York State Park and Trail Partnership Program. This is a capacity-building grants program for grassroots organizations or friends groups that support, strengthen and improve the state's parks, trails, historic states and public lands. Since 2015, 83 grants totaling $1.8 million have been awarded, with funds going towards innovative educational programs, capital projects and capacity-building undertakings, enabling organizations to become more effective, leverage more volunteer power, and ultimately lead to even greater economic benefits, improved access to outdoor resources, and

healthier communities.

I'd also like to point out that this year, as we prepare to announce our fifth round of awardees in March, we recognize the value this opportunity has for our volunteer-led groups. We received 53 applications requesting a total of $2 million during this round of applications, double the available funding that is available.

This response confirms the effectiveness of the program, and we're proud to be administering this matching grant in partnership with OPRHP, DEC and grassroots groups across the state.

Also worth mentioning is that we're pleased to see increased funding for the Connect Kids initiative, which provides transportation to parks, nature and environmental education centers for children in K-12 education programs. This gives schoolkids a chance to experience nature and the environment as well as provide students an opportunity to share in the stewardship of our natural resources.

And we encourage the Legislature to approve this proposed funding expansion to $2 million, ensuring that even more young people are exposed to the beauty of nature and the importance of conservation across the state.

The Governor's proposal includes language that would allow the use of EPF monies for agency staff salaries. Like my colleagues previously, this language -- I would like to reiterate that the Legislature has prevented this in the past, and we would continue to urge them to do this as well.

The "Restore Mother Nature" Bond Act. We encourage the Legislature to support the proposed "Restore Mother Nature" Bond Act, will fund environmental resource resiliency through the preservation of open space, restoring wetlands, waterways and wildlife habitats, as well as facilitate the creation of new recreational opportunities, many of which have been discussed tonight.

In conclusion, I'd like to thank you for the opportunity to testify today. Parks

and Trails New York looks forward to working with the Senate, the Assembly and the Governor to keep up the momentum for State Parks, solidifying New York's conservation legacy and strengthening the network of parks, trails and greenways across the state.

CHAIRWOMAN KRUEGER: Okay. Any questions? Thank you very much for your testimony tonight.

Okay, apparently the American Chemistry Council is not with us --

UNIDENTIFIED SPEAKER: Oh, no, yes, we are.

CHAIRWOMAN KRUEGER: Oh, excuse me. I just got a note saying not.

Well, come on down. Did you submit written testimony?

MS. GORMAN: We did.

CHAIRWOMAN KRUEGER: Okay. If we don't find it tonight, we'll get it to -- oh, they've got it with them. Very good.

Sorry about that. I had just been handed a note saying you weren't here.

MS. GORMAN: That's okay.

Good evening. My name is Margaret Gorman. I am the senior director for the Northeast region for the American Chemistry Council. And with me tonight is my colleague Omar Terrie. He is the director of our plastics and food packaging group at ACC.

We are going to limit our testimony tonight to the polystyrene ban language that is in the budget proposal that proposes to ban polystyrene in New York State.

Because the language is so broad, our first concern are the manufacturing industry in New York State. We have identified almost 2,000 jobs that would be directly impacted by this proposal, ranging across 10 sites in New York, from Middletown, New York to Buffalo, Albany, Rochester, Syracuse, Canandaigua and more.

Three sites alone produce over 1400 jobs and also produce polystyrene food service. These three sites alone pay $2.3 million in state taxes and contribute $47 million in payroll.

There's been a lot of discussion about

the job impact today, but one additional thing that I did want to bring to you is that the language is so broad in the budget it does bring in an impact to other public sectors. The language includes a ban on schools -- so your elementary schools, your high schools, your colleges, your community colleges and local governments.

There was a fiscal study previously done on how that impact would be on schools, for example, and elementary schools. Because the product is -- the alternative products are two to four times more, it would cost $25 million to elementary schools alone. Municipalities, $10 million.

So looking at that and going into alternative product, it is certainly going to impact the public sector and the private sector, ranging from hospitals to restaurants, not-for-profits, fraternal organizations and others.

Most food service packaging is not recycled or composted within New York State's existing recycling infrastructure. So what

is the solution? Instead of a ban, ACC is strongly supportive of solutions that finance infrastructure investment. We strongly support a food service packaging fee that would be paid by manufacturers that could fund these solutions as well as finance statewide recycling.

I want to stress that it will not just be on polystyrene, it will be on all the alternative food service products.

I'm going to conclude my testimony at this point and turn it over to Omar.

MR. TERRIE: Good afternoon, everyone.

Concerning the recyclability of polystyrene, polystyrene is being recycled in New York State. Right here in Albany County at a company in Cohoes, they are taking both packaging material as well as food service and recycling polystyrene into a polystyrene insulation foam to be used in homes. As we all know, on the building construction side polystyrene is an excellent insulator. And so we're looking to that as an example to be able to increase getting food service out of

the landfill and into a program where it can go to be recycled and help with insulating homes.

In addition, polystyrene is being recycled in Madison County as well.

Concerning the landfill issue, I know that that is a great deal of concern to everyone. I did take note earlier today that Commissioner Seggos stated that around 29,000 pounds of polystyrene were going to landfill. When I looked on the DEC website, it says that has a capacity of 7.9 million pounds per year. So when you take the 29,000 and divide it by the 7.9 million, that is 0.3 percent of the waste stream that is polystyrene that, according to the commissioner, is going to the landfill.

So this legislation, it impacts jobs to divert 0.3 percent when it's (A) a recyclable product, and (B) all the alternatives are going to greatly increase the cost of -- to schools and to restaurateurs.

But at the same time alternatives --

like polystyrene itself, frankly -- need additional infrastructure in order to be recycled. A lot of the alternatives are going to be what is classified as compostable food service. And those compostable food service alternatives do need what's considered an industrial compostable facility in order to be recycled. New York currently lacks that infrastructure.

With that, I'll close. I'm going to allow questions.

CHAIRWOMAN WEINSTEIN: Assemblyman Englebright.

ASSEMBLYMAN ENGLEBRIGHT: So you guys were probably still in elementary school when this issue came before the Suffolk County Legislature and when I was a member of that body. I had brown hair in those days, and I had bell bottoms. And I was the primary sponsor of the legislation that you're probably familiar with, which was the first in the nation on this topic.

I don't want to go over the whole thing today, but it led to the longest

hearing in the history of the Suffolk Legislature. The hearing was more than two years. We finally got to a point where we took the vote, and then I was elected here.

And you guys went to my colleagues in my absence and successfully said the same things that you've just said today, and you promised them that if they would only make it a voluntary program instead of a compulsory law, that you would make sure that there was widespread recycling of polystyrene. And so they said, Oh, okay. And then you guys didn't follow through.

And so here we are quarter of a century later, and our landfills in fact, as Commissioner Seggos has properly said, are filling up, and we have a really chaotic situation. And you're back with the same old refrain: Trust us, let's recycle, oh, please don't do such a restrictive law.

So I'm going to enjoy this conversation, because I've been waiting for it for all of these years. I've been here

now 28, 29 years. I've been anticipating that at some point we would return to this. I promise you I am ready to strongly support what the Governor has put forward, and I believe he is on the right track. And your track record as an industry in the county that I still live in is dreadful.

By the way, that law that I did as a county legislator, to the best of my knowledge it's still on the books. But it's voluntary. And it hasn't worked. And the recycling premise that you have put before us today has to somehow reconcile with that failed history.

Thank you for your testimony. I look forward to this conversation as we go forward.

CHAIRWOMAN WEINSTEIN: Assemblyman Ra.

ASSEMBLYMAN RA: Thank you for your testimony.

Just a couple of questions in terms of the industry and the manufacturers in New York State.

One would be any idea or information

you can get us in terms of the percentage of the business that is done in New York State as opposed to, you know, sending the materials out of state?

MS. GORMAN: That's a good question. I do know at least two. One that has a thousand jobs in Canandaigua, 90 percent of those sales are in New York State. Another one in Cohoes, about 75 jobs, 75 percent of the sales are in New York State. Just to give an example.

ASSEMBLYMAN RA: Okay. And then the other --

MS. GORMAN: I can follow up with the rest.

ASSEMBLYMAN RA: Okay. Please do.

And the other question is in terms of those manufacturers, what portion of their business is the sale of materials that would be banned by this?

MS. GORMAN: The exact percentages we don't have. But I do know that, you know, some of these facilities, primarily polystyrene.

MR. TERRIE: Yeah, the 10 facilities that my colleague mentioned, they are directly impacted by this ban if it were to go into effect. Now, they do have other facilities that make other materials, but the 10 that we listed are the ones that would be impacted.

ASSEMBLYMAN RA: Thank you.

CHAIRWOMAN KRUEGER: Thank you. Thank you very much.

MS. GORMAN: Thank you.

Our next testifier is Green Education and Legal Fund, Mark Dunlea, followed by Audubon New York, followed by the Interstate Environmental Commission. Followed by tomorrow.

(Laughter.)

MR. DUNLEA: Thank you for staying here so late.

I just wanted to follow up on the comments made by Assemblymember Englebright. I think the first joint protest that my wife and I jointly organized was in 1981, two blocks from here, when there used to be a

McDonald's. And it was against Styrofoam. Very glad that we've got rid of Styrofoam here in Albany County, and look forward to success at the state level.

I'm speaking today on behalf of the Green Education and Legal Fund. I'm also a member of the steering committee at 350 New York City. I help coordinate legislative issues for the People of Albany United for Safe Energy. And I'm part of the Action Committee for Extinction Rebellion of the Capital District.

I've appreciated the comments made this evening which shows the serious level that the Legislature attaches to the climate change. Unfortunately, the situation is actually much worse. The IPCC has warned that we have 11 years left for unprecedented coordinated action on climate change. A few months ago a Harvard study said no, that timeline is probably closer to five years. And then right before the recent conference in Spain, a number of the most prominent climate scientists in Europe came out and

said, actually, we worry that we've already passed the tipping point.

We need to act a whole lot faster than we're acting. I particularly responded to the comments made by Assemblymember Carroll that the reality is that New York State only has 4.5 percent of the state's electricity coming from wind and solar. That's 4.5 percent 17 years after Governor Pataki set goals for renewable energy.

In order to hit the 70 percent by 2030, we're going to have to hit that 4.5 percent -- that took us 17 years -- on an annual basis.

I have a lot of skepticism about the pronouncement from the Governor that we're investing $33 billion over the next five years on renewable energy. I'd like to see that documented. I had a consultant position this summer trying to document how much the state is spending on renewable energy. Talked to everybody -- the Governor, the State Comptroller, legislative staff, NYSERDA, Public Service Commission. No one

could give a firm answer.

The closest, most definitive answer was $190 million. If you look at some of the financial audits of NYSERDA, maybe it's closer to 400 to 500 million. That's a lot different than the 6 billion that they're claiming they're spending on an annual basis.

We started off this hearing at 11 a.m. this morning with some of my colleagues from the Campaign for a Green New Deal doing a little chanting to get the excitement level up. They were calling for a $10 billion investment in the Green New Deal. We hope you support that.

We also hope that you support the $1 billion that a somewhat quieter group from New York Renews is encouraging.

On the $33 billion, if that's true, we want to see how much of that complies with the goal of 35 percent of that $33 billion being dedicated to disadvantaged communities.

Senator Krueger asked a question about how is RGGI complying with CLCPA. One of the things I was very curious about in the CLCPA

was the repeated reference to the social cost of carbon. The Governor used the social cost of carbon to provide the $7.6 billion nuclear bailout. That's about -- I think $45 a ton was the figure he's using. Right now RGGI is at $6 a ton. So if now the state policy is $45 a ton for carbon, how are we raising RGGI from $6 a ton to $45?

Certainly applaud Senator Krueger and the rest of the Senate Democrats for their leadership on trying to divest the state pension funds from fossil fuels. We would recommend you include that in the State Budget. I started testifying 20 years ago about a state carbon tax when Senator Owen Johnson wanted to know why we thought carbon was bad, since trees like it so much. But we do hope we advance that.

Expand the Bottle Bill. Do the ban on fracking, making it permanent. Deal with the issue of fracking waste.

On Sheridan Avenue, we want to applaud you last year for stopping the new fracked-gas turbines that they were going to

use for a microgrid. However, we still have six gas boilers there. And we hope you'll go to the next step and actually move to make this whole system renewable energy, how we heat and cool the state energy complex -- which they're presently continuing to -- we are requesting the $600,000 for a feasibility study on how we can go to renewable energy to heat and cool these buildings, particularly looking at geothermal.

And I have a lot more to say, but my time is up. And thank you for staying so late to listen to us.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Questions? Then thank you very much, Mark. Appreciate it.

All right, now we have the Audubon New York -- Society of New York, right? I thought "Society" was in there somewhere. And then followed by the Interstate Environmental Commission.

MS. McGRATH: Well, good evening, and thank you very much for the opportunity to

testify. I am Erin McGrath. I'm the policy manager for Audubon New York, which is the state program of the National Audubon Society. I am here testifying on behalf of our 85,000 members, our 27 chapters, and our seven centers and sanctuaries.

Audubon's mission is to protect birds and the places they need, and we have enjoyed a longstanding and productive relationship with New York State. And we thank you all for supporting our mission.

This year's budget is very exciting. We're very pleased to see the inclusion of 3 billion for the "Restore Mother Nature" Bond Act. This funding supports projects that are very special to Audubon that promote habitat restoration, improve coastal resiliency, and aid climate adaptation efforts. These are good for birds and the places they need, as well as our local communities that depend on them.

Investments in eco-based restoration provide multiple benefits, including increased habitat for wildlife, more

sustainable fisheries, opportunities for recreation and tourism, and increased resiliency in the face of climate change.

We ask that the Legislature support the creation of the bond act and dedicate a portion of the funding to protecting the habitat of endangered and threatened species, restoring our salt marshes, improving the resiliency of our Great Lakes, and managing our forests for improved water quality and flood control.

We are also interested to see the Executive Budget proposal that proposes to streamline the siting and development process for renewable energy. Wind and solar are clean sources of energy that have few negative impacts, and we're very supportive of their development, but we need to make sure that while we're developing these projects that we're making sure that we don't harm the environment and particularly endangered and threatened species.

These projects do have the potential to negatively affect wildlife through direct

mortality and habitat degradation, but there are a lot of things we can do to prevent that.

We recognize that identifying locations for renewable energy is very challenging. We have very few transmission lines coming from upstate to downstate, and we need to figure out how to get all of the renewable energy up there to down here. But we do recommend that while we're looking at that, that we do our part to protect endangered and threatened wildlife. We can minimize the negative impacts by doing thorough site inspections, avoiding high-risk areas, and committing to adequate mitigation for unavoidable risk.

So what this really means is that we need the state to partner with us and work with us from the beginning. We would ask the state to convene an environmental technical working group that can advise on the location of priority renewable energy sites and also the development of the associated procurements. We know this works because we

used it for the offshore wind procurements that are currently in place. That was a very successful partnership, and we believe that it would also benefit land-based renewable projects.

We also recommend that the state develop a mitigation fund to address impacts on threatened and endangered species. We know that project developers are struggling with mitigation efforts, and we want to help them to make the best of that. So we believe if we set up this mitigation fund and connect project developers with groups like Audubon and other wildlife conservation societies, we can actually accelerate the deployment of renewable energy while protecting our wildlife as well.

We were also very thrilled to see that New York State is stepping up to protect our wetlands. I know my colleagues spoke at length on this, but wetlands are really where you can get a lot of bang for your buck. You can protect threatened and endangered species, you can improve water quality, you

can control flooding -- it's a great place to spend your dollars.

But when we're doing that, especially under the bond act and other proposed initiatives, we need to make sure we're targeting all of the state's wetlands. And right now the DEC can't regulate the majority -- much of our wetlands because of the mapping requirement.

So we strongly support the effort to drop the maps and only use them for educational purposes. We think this is really important in light of the rollback of the "Waters of the United States" rule and will ensure that New York State remains a leader in protecting the environment.

And last but not least, we were pleased to see that there is still $300 million for the EPF in light of the state's deficit. This funding supports really critical programs, and we think it will work hand in hand with the bond act as we work to support the environment.

In particular, we'd like to call out

the ZBGA line because it provides critical funding for our Audubon Centers and Sanctuaries. Without this funding, our educational programming would suffer and impact the communities that rely on us to educate their children about the environment and also get a few minutes off.

Within the EPF, we are also asking the Legislature to support the Regenerate New York program, funding for the Delaware River Basin Commission, and funding for the Ocean and Great Lakes Program.

And I'll close by echoing my colleagues in saying that we do oppose using the EPF for staffing. We believe that that's critically important and that the DEC and Parks have as much funding and staff as they need, but we don't believe that should be coming from dedicated capital funding. So we hope we can find an alternate solution to using the EPF for staffing.

CHAIRWOMAN KRUEGER: Thank you.

MS. McGRATH: Thank you.

CHAIRWOMAN KRUEGER: Any questions?

Steve Englebright.

ASSEMBLYMAN ENGLEBRIGHT: First I just want to say thank you for what you do every day, for not just the birds but the people of New York who benefit from your many programs and activities.

I am very concerned about the ZBGA program and I'm pleased that you spoke to the this -- urging us to increase the line. The last time I looked, it was about $16 million. The Executive is proposing to cut it, if I'm remembering correctly, by $2 million.

MS. McGRATH: That's correct.

ASSEMBLYMAN ENGLEBRIGHT: That is a savage cut. And when Commissioner Kulleseid was here before, I pointed out the obvious, which is that there are two great parks systems in the state. One is the State Parks system by name itself, and the other is the galaxy of more than a hundred organizations that are zoos or botanical gardens, aquariums, nature preserves, including the Audubon -- Montezuma Audubon Center in Savannah, the Constitution Marsh in Garrison,

and next to Theodore Roosevelt's grave, the TR Sanctuary, the first bird sanctuary of National Audubon in America.

You don't protect those and make more available to the public by cutting. So please -- we're going to do what we can to reopen this question, but please communicate with your fellow organizations. We need a unified front in order to be successful in restoring this funding -- and, as you rightly suggest, increasing it.

MS. McGRATH: Of course. And we're definitely looking forward to working with the Legislature to restore that funding. It's very critical to us and critical to all of our partners. So we'll be working closely with you.

ASSEMBLYMAN ENGLEBRIGHT: Thank you again.

MS. McGRATH: Thank you.

CHAIRWOMAN KRUEGER: Thank you very much. Appreciate your staying all this time.

And last but not least, the Interstate Environmental Commission. I'm going to guess

you are Phillip as opposed to Evelyn.

MR. DeGAETANO: I am.

CHAIRWOMAN KRUEGER: Nice to see you tonight.

That was a leap, thank you.

MR. DeGAETANO: It's nice to be here, and thank you for staying so late.

I'm Philip DeGaetano. I'm a recently appointed commissioner to the Interstate Environmental Commission. And obviously I have a lot to learn about how to get into an earlier slot on your testimony.

And I want to thank you, Senator Krueger, Assemblywoman Weinstein, Senator Kaminsky, Assemblyman Englebright, and members of the Legislature for allowing me the opportunity to testify on behalf of the Interstate Environmental Commission.

The IEC joins with others who have testified today in commending the Governor and the Legislature for continuing to demonstrate, through the budget, the commitment to protecting New York's environment. The funding appropriated

through the budget actions demonstrates New York's understanding of the need to invest in resources in order to protect and restore New York's environment.

The IEC is a tristate water pollution control agency similarly committed to protecting and conserving and restoring New York's environment, particularly in water quality. Our written testimony provides details of the diverse array of activities that the commission is involved in in the IEC district, which is centered in New York Harbor but includes Long Island Sound, the North Shore embayments, South Shore Estuary, the Hudson River, and portions of Connecticut and New Jersey.

Our capabilities are that we have and are developing and would hope to expand at the commission aligned with the priorities highlighted in the Governor's Revive Mother Nature initiatives. These include expanding our monitoring and analytical services capabilities at our laboratory for nutrients, cytotoxins associated with harmful algal

blooms, expanding continuous monitoring in New York Harbor and Long Island Sound, exploring eelgrass restoration sites, and developing microbial source tracking techniques to identify sources of pathogens entering and degrading our waterways.

The commission operates a certified lab at the College of Staten Island on Staten Island. The laboratory is fully certified by the New York State Health Department, and the laboratory is dedicated to producing technically defensible environmental data through sound science and a comprehensive quality assurance program.

While the majority of our funding comes from other sources, primarily federal Clean Water Act grants, state funding is critical to enable the commission to meet its level of effort funding state resources that's necessary to match these funds. In 2019 the IEC was awarded just over a million dollars in federal funds for Section 106. And in order to maintain this eligibility, we have to maintain a state match of $214,000 to

be funded through a cooperative agreement with each of the member states, of which New York's share is 45 percent.

So we're calling your attention today to the fact that the Executive Budget as proposed only includes $41,600 for the Interstate Environmental Commission. And in order to meet the 45 percent share for New York, that would have to be increased to $96,323. This level of funding is critical to ensure IEC's continued eligibility to receive the federal funds.

So on behalf of the IEC, I'd like to thank you for your attention and this opportunity to testify before you this evening. Thank you.

CHAIRWOMAN KRUEGER: Any questions?

We appreciate your staying this late for us. Thank you very much.

MR. DeGAETANO: Thank you, and good night.

CHAIRWOMAN KRUEGER: And this officially ends the first budget hearing of the 2020-'21 cycle. The EnCon hearing is

over, and we will be back in this room starting at 9:30 tomorrow morning, and we will get to Transportation and the MTA.

Thank you, everyone. Thank you for all staying.

ASSEMBLYMAN ENGLEBRIGHT: Thank you.

(Whereupon, at 7:56 p.m., the budget hearing concluded.)