

Environment and Energy

Adirondack Park Agency
Department of Agriculture and Markets
New York State Energy Research and Development Authority
Department of Environmental Conservation
Environmental Facilities Corporation
Hudson River Park Trust
Hudson River Valley Greenway Council and Conservancy
Office of Parks, Recreation and Historic Preservation
New York Power Authority
Department of Public Service

Overview

The Executive Budget increases the Environmental Protection Fund (EPF), maintains State funding for core environmental, parks and agricultural programs, expands outdoor recreational opportunities, and provides a new round of New York Works capital funding for environmental facilities. State agency and public authority funding will continue to make New York a leader in the clean tech economy, reduce the emissions that contribute to climate change, and allow the transformation of our transmission system to a distributed smart grid network. The Executive Budget also provides funding for a new Long Island office of the Department of Public Service, which will review rates and oversee operations of the Long Island electric grid.

The State's environmental, energy and natural resource agencies support programs including land use planning and preservation, recreation and tourism, agricultural development, protection of water resources, regulatory oversight of environmental laws and regulations, oversight of food supply and food safety programs, and regulation of the State's utilities and energy programs.

The Department of Environmental Conservation's (DEC) mission is to conserve, improve and protect New York's natural resources and environment and to prevent, abate and control water, land and air pollution, in order to enhance the health, safety and welfare of the people of the State and their overall economic and social well-being. DEC is responsible for administration and enforcement of the State's Environmental Conservation Law.

The Office of Parks, Recreation and Historic Preservation (OPRHP) provides safe and enjoyable recreational and interpretive opportunities for New York State residents and visitors and functions as a steward of our valuable natural, historic and cultural resources. OPRHP operates the State park system that is comprised of 214 State parks and historic sites. Last year the system welcomed 60 million visitors to these sites.

Together, DEC and OPRHP oversee nearly 4.9 million acres of open space statewide, including 2.7 million acres in the Adirondack Park and nearly 300,000 acres in the Catskill Forest Preserve.

The Department of Agriculture and Markets (Ag&Mkts) is charged with wide-ranging responsibilities including food safety inspection, agricultural economic development, farmland protection, animal and plant health surveillance, and the control of agricultural runoff (nonpoint source pollution) that can lead to the contamination of water.

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The Department of Public Service (DPS), the staff arm of the Public Service Commission (PSC), regulates the rates and services of public utilities – an industry with an estimated \$32 billion in annual revenue – oversees the siting of major utility infrastructure, and provides oversight on cable franchise agreements and telecommunications service. The Executive Budget provides resources for a new Long Island office of the DPS, to oversee electric utility service on Long Island. Additionally, in conjunction with the New York State Energy Research and Development Authority (NYSERDA), DPS oversees the State's energy efficiency and renewable energy programs. The New York Power Authority (NYPA) supplies power statewide through two large hydroelectric facilities and more than 1,400 miles of transmission lines. NYPA does not receive support from the State.

Protecting the Environment

Under Governor Cuomo's leadership, the State acquired 69,000 acres of the former Finch Pruyn lands in the Adirondacks, the largest addition to the State Forest Preserve in over a century. In 2012-13 the 179th State Park was added, the new Franklin D. Roosevelt Four Freedoms Park on Roosevelt Island in New York City, and in September 2013 the Governor announced plans to establish a new State park in Buffalo to transform the city's outer harbor waterfront.

The Executive Budget increases support for critical environmental protection and energy programs. The EPF provides dedicated funding to communities throughout New York to improve the environment. Governor Cuomo held the EPF steady at \$134 million in his first two budgets. Last year, the EPF was increased by \$19 million to \$153 million. This year the EPF will be increased by \$4 million to \$157 million. To address a backlog of environmental capital needs, the Budget includes \$135 million of new capital appropriations under the New York Works program for DEC, OPRHP, Ag&Mkts, and the Olympic Regional Development Authority (ORDA). This infusion of capital funds will accelerate capital infrastructure projects statewide, spur the creation of jobs, and leverage private sector and Federal investment.

Summary of Spending (All Funds)

Category	2013-14 (\$ in millions)	2014-15 (\$ in millions)	Change	
			Dollar (in millions)	Percent
Total Environment and Energy Spending	1,429	1,412	(17)	(1.2)
Department of Agriculture and Markets	119	122	3	2.7
Department of Environmental Conservation	919	876	(43)	(4.7)
Office of Parks, Recreation and Historic Preservation	282	292	10	3.6

The Budget maintains funding at current levels for parks, environment, and agricultural operating programs. Inflationary factors are offset by administrative and operational efficiencies.

- **Department of Agriculture and Markets.** The Executive Budget increases total funding for Ag&Mkts by \$3 million, primarily due to increases in capital spending (\$2.3 million). State operations spending increases by \$1 million (1.6 percent) due to increases in personal service expenses, partially offset by a \$300,000 decrease in local assistance.

- Department of Environmental Conservation.** The Executive Budget decreases total funding for DEC by \$43 million primarily as a result of the completion of projects related to the Federal American Recovery and Reinvestment Act (ARRA) and the 1996 Bond Act. Further reductions are due to the transfer of IT positions to the Office of Information Technology Services and decreases in non-personal service and local assistance spending. State operations spending increases by \$1.8 million (0.7 percent) due to increases in personal service expenses.
- Office of Parks, Recreation and Historic Preservation.** The Executive Budget increases total funding for OPRHP by \$10 million due to increases in capital spending from the New York Works program. Funding for agency operations remains constant.

Capital Investments

Proposal	2013-14 (\$ in millions)	2014-15 (\$ in millions)	2015-16 (\$ in millions)
New Capital Commitments:			
Environmental Protection Fund	153	157	157
New York Works Infrastructure Investment ¹	135	135	135
Total New Capital Commitments	288	292	292

1. \$45 million of OPRHP 2013-14 commitment was funded through reappropriations

Proposed 2014-15 Budget Actions

- Environmental Protection Fund.** The Executive Budget includes \$157 million for the EPF, an increase of \$4 million from 2013-14 as a result of increased and improved enforcement of the unclaimed deposit program. Appropriations include \$14 million for solid waste programs, \$58 million for parks and recreation, and \$85 million for open space programs.
- Brownfield Cleanup and State Superfund.** The Executive Budget includes legislation to extend the Brownfields Cleanup Program for ten years, with important reforms to protect taxpayers and promote brownfield redevelopment, particularly Upstate. Under the reformed program, remediation tax credits will only cover actual cleanup costs and redevelopment credits will be rationalized to only cover sites that have been vacant for over a decade, worth less than the cleanup costs, or are priority economic development projects. In addition, the Budget includes a new \$100 million appropriation to extend the State Superfund cleanup program, including \$10 million through the Environmental Restoration Program to address municipally-owned brownfields.
- Long Island Office of the Department of Public Service.** Consistent with Governor Cuomo's landmark legislation to restructure and improve oversight of electric service on Long Island, the Executive Budget includes \$5.5 million in funding for 39 new employees and the creation of a new Long Island Office of DPS (DPS LI). The new office will be empowered to review utility rates and operations, including storm preparedness and performance, to ensure Long Island electric customers receive reliable utility service at just and reasonable rates. PSEG Long Island, the new utility operating the electrical grid on Long Island, is seeking to freeze rates at 2013 levels through 2015.

- **Accelerate Phase Out of Temporary Utility Assessment.** As recommended by the New York State Tax Relief Commission, the temporary utility assessment (18-a), scheduled to be eliminated in 2017, will be eliminated immediately for industrial customers, while the phase out for other customers will be accelerated.
- **Reduce New York's Energy Costs.** Under Governor Cuomo's leadership, New York will continue to expand clean, reliable and affordable energy sources through several new programs funded by NYSERDA, NYPA and Federal sources:
 - The NY Prize initiative, a \$40 million competition to build "community grids," will provide funding to communities for the development of energy systems that combine decentralized, local, clean power sources with microgrids, in order to maintain utility service during even the worst storms and emergencies.
 - The Renewable Heat NY program will provide technical assistance, financing and incentives to grow the biomass heating industry and increase the availability of biomass heating options.
 - The Community Solar NY program will expand the deployment of solar energy by providing outreach and targeting funding towards schools and their surrounding communities.
- **New York Green Bank.** The \$1 billion Green Bank, launched by Governor Cuomo in 2013 to work in partnership with the private sector to remove market barriers in the clean energy sector, will offer its first financial products in early 2014. The Green Bank, financed through public authority resources, will accelerate clean energy deployment and create jobs by partnering with private sector institutions to provide financial products such as credit enhancement, loan loss reserves and loan bundling.
- **Improving Efficiency of Agency Operations.** The Executive Budget includes legislation that will enable DPS to streamline its operations to more efficiently oversee cable television franchises and telephone corporations and address shared metering violations. Additionally, Ag&Mkts will be given the authority to focus its food safety resources on the inspection of high risk food establishments while still maintaining required oversight of those that provide minimal risk to public health.
- **New York Works Infrastructure Investment.** The Budget provides \$135 million of new appropriations for the next round of the New York Works capital program that will address a backlog of environmental capital needs and spur job creation and economic development statewide. New capital funding of \$90 million will be provided to OPRHP to support health and safety projects and critical infrastructure rehabilitation. The OPRHP budget will also include \$2.5 million for Olympic Regional Development Authority infrastructure, supplementing \$6.9 million of capital appropriations in the Authority's budget. To improve and rehabilitate the State fairground, \$2.5 million is provided to the Department of Agriculture and Markets. DEC will receive \$40 million to address a variety of capital needs including creating 50 new public access projects to connect hunters, anglers, bird watchers and other outdoor enthusiasts to un-tapped State owned lands. This new funding will also provide for air monitoring infrastructure investments, remediation of legacy environmental contamination, investments in information technology, and makes updates and health and safety repairs to State infrastructure, including dams, State lands and fish hatcheries.

- **Expand Opportunities for Hunting, Fishing and Other Activities.** Building on last year's Open for Fishing and Hunting initiative, the Governor announced in the State of the State a new NYS Adventure License to allow lifetime hunters, anglers and Empire Pass license holders the option of receiving a special designation on their driver's license. The Executive Budget continues this commitment to outdoor recreation. The State will undertake 50 projects to provide access to more than 380,000 acres of existing State lands for recreation, including boat launches, bird watching areas, trails, and hunting blinds. Fish hatcheries around the State will also be rehabilitated. Further, to encourage hunting and fishing across the State, new 3- and 5-year hunting and fishing licenses have been created, the seven-day fishing license fee has been reduced, and the DEC will be able to offer promotional reduced fee licenses on designated days and more free sport fishing days each year. Lastly, the Budget will give the Department of Environmental Conservation the authority to regulate crossbow hunting and will also limit liability for landowners who wish to open up their properties for public recreation.
- **Expand Access to New York Grown Agricultural Products.** Building on last year's success, the Executive Budget includes \$1.1 million for the "Taste NY" program. This program is branding and expanding New York's food and beverage industry by making the wide variety of foods and beverages grown and produced in the State readily available and recognizable to New Yorkers and the public nationwide. The Budget also includes \$350,000 for the FreshConnect farmers' market program, which benefits farmers' and consumers alike by awarding competitive grants to create and expand farmers markets in underserved communities throughout New York. To increase the availability of locally grown hops for the State's growing craft brew industry, the Budget continues \$40,000 for a program to evaluate and test hop varieties in New York.
- **Cornell University College of Veterinary Medicine.** The Executive Budget includes a \$5 million initial State investment to expand and upgrade infrastructure and teaching facilities at the Cornell University College of Veterinary Medicine, to accommodate larger class sizes.
- **Maintain Core Agriculture and Markets Local Assistance Funding.** Core agricultural programs that protect health and safety, provide education, and support the promotion of New York State products will be maintained at the same level as the 2013-14 Budget. These programs include the Migrant Childcare program, Cornell Veterinary Diagnostic Laboratory, Cornell Pro-Dairy, the Wine and Grape Foundation, and Farm Family Assistance.