



Division of
the Budget

ENVIRONMENT, ENERGY & AGRICULTURE



Continue funding the

\$2.5 BILLION

CLEAN WATER INFRASTRUCTURE ACT

to support clean water.



Renew funding for the

**ENVIRONMENTAL
PROTECTION FUND**



at **\$300M**,
the highest
level in
history.



\$50M towards completing the
Hudson River Park.

\$65M initiative to combat harmful
algal blooms in Upstate New York
water bodies.



Further the **\$900M**
NEW YORK PARKS 2020 INITIATIVE

Invest another **\$90M** to transform
New York's parks, recreation, and
historic facilities.

Budget Highlights

Invest in Clean Water.

Continue funding for the unprecedented \$2.5 billion Clean Water Infrastructure Act to support clean water, including to combat harmful algal blooms in Upstate New York waterbodies.

Promote Environmental Protection. Renew funding for the EPF at \$300 million, the highest level in history.

Further the \$900 Million NY Parks 2020 Initiative. Invest \$90 million to transform New York's parks, recreation and historic facilities.

Complete the Hudson River Park. Provide \$50 million towards completing the Hudson River Park.

Enhance Food Safety and Inspection. Invest \$2.6 million to provide a state-of-the-art food inspection system.

Bolster the Hemp Industry. Invest a total of \$2.65 million to establish a new industrial hemp processing facility and a seed certification and breeding program to grow the State's hemp industry.

Launch Energy Storage Initiative. To enhance New York's ability to store renewable energy and dispatch it when needed, this initiative deploys 1,500 megawatts of energy storage by 2025 and employ 30,000 New Yorkers in this industry.

The FY 2019 Executive Budget renews the historic funding level for the Environmental Protection Fund (EPF), preserves funding for the unprecedented \$2.5 billion clean water program, and supports capital funding plans for environmental and recreational facilities. State agency and public authority funding will continue to make New York a leader in the clean tech economy, reduce emissions that contribute to climate change, and enable the transformation of the electric power transmission system to a distributed smart grid network.

Overview

The State's environmental, energy and natural resource agencies and authorities support and regulate land use planning and preservation, recreation and tourism, agricultural development, protection of water resources, food safety, 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 to enhance the health, safety, and welfare of New Yorkers 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 enjoyable and safe recreational and interpretive opportunities for New York State residents and visitors, and functions as a steward of New York's valuable natural, historic, and cultural resources. OPRHP operates the State park system, a network of 180 State parks and 35 historic sites. In 2016, the system welcomed a record 69 million visitors.

Together, DEC and OPRHP oversee 5.35 million acres of open space statewide, including 2.6 million acres in the Adirondack Park and nearly 300,000 acres in the Catskill Forest Preserve.

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

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 \$31 billion in annual revenue. DPS oversees the siting of major utility infrastructure, and provides oversight of cable franchise agreements and telecommunications service. Additionally, DPS provides oversight of the New York State Energy Research and Development Authority’s (NYSERDA) implementation of the PSC-approved Clean Energy Fund and Clean Energy Standard.

The New York Power Authority (NYPA) supplies power statewide through two large hydroelectric facilities and more than 1,400 miles of transmission lines. NYPA is also helping to reimagine New York’s energy system by providing enhanced clean energy services to its customers and moving towards becoming the first fully digitized utility in the country to more effectively manage its assets.

Protecting the Environment and Investing in Agriculture

Governor Cuomo has made unprecedented investments in the State’s environmental, energy and agricultural programs. These include:

- Enacting the unprecedented \$2.5 billion Clean Water Infrastructure Act of 2017, to protect public health and the environment through investments in drinking water, wastewater and source water protection;
- Establishing the \$400 million Water Infrastructure Improvement Act of 2015, a municipal clean water infrastructure grant program;
- Extending the State Superfund hazardous waste cleanup program by \$1 billion;
- Creating the \$900 million NY Parks 2020 initiative;
- Investing over \$330 million in environmental projects through the New York Works program;
- Increasing the EPF to an historic \$300 million level;

Performance Profile

Breaking Parks Attendance Records. The Governor’s \$900 million investment through the NY Parks 2020 initiative has so far resulted in capital improvements at 128 parks statewide, spurring a record 69 million visitors in 2016.

Setting New Highs for State Fair Attendance. The \$120 million to modernize the State Fair has paid dividends. The 1.16 million visitors at the 2017 State Fair exceeded the previous record set in 2016.

Achieving the Nation’s Lowest Per Capita CO₂ Emissions. New York has the lowest per capita carbon dioxide emissions of any state in the country, with 9 metric tons of carbon dioxide per person.

Cleaning New York’s Water. To date, 300 municipalities have been awarded funding totaling nearly \$550 million to improve water quality through the Water Infrastructure Improvement Act of 2015 and the Clean Water Infrastructure Act of 2017.

Promoting New York Agricultural Products. The New York Grown and Certified program, since its launching in 2016, has certified over 1,475 farms, representing over 640,000 acres of farmland.

- Launching the Empire State Trail with a \$200 million investment towards what will be the largest multi-use state trail network in the nation; and
- Allocating \$120 million to upgrade and transform the historic New York State Fairgrounds into a world-class, multi-use entertainment and exhibition facility.

The Governor is committed to protecting open space and improving access to wildlife-related recreation. This is reflected in his acquisition of the former Finch Pruyn Lands, the largest single addition to the Adirondack Forest Preserve in more than a century. The Governor enacted the NY Open for Fishing and Hunting initiative, which streamlined licensing and reduced hunting and fishing fees. He also provided for dozens of new and improved ways to access the State's natural resources, including through the launch of the Adventure NY program in 2017.

The State has invested more in agriculture during Governor Cuomo's tenure than at any point in history, including record levels of grant funding through the EPF and the Ag&Mkts local assistance budget. The Governor has also supported strategic investments to modernize the State Fair, grow the agriculture industry in the Southern Tier, and protect farmland in the Hudson Valley. Through the Taste NY and NYS Grown and Certified programs, Governor Cuomo has prioritized the promotion of locally grown and produced foods and products.

The FY 2019 Executive Budget maintains support for critical environmental protection programs. To ensure that current and future New Yorkers have access to clean water, the Budget continues funding for the multi-year \$2.5 billion Clean Water Infrastructure Act, enacted in 2017, which will continue to support drinking water, wastewater, and source water protection initiatives.

Support for the EPF, which provides dedicated funding to communities throughout New York to improve the environment, will continue at \$300 million. This is the highest level of annual funding since the creation of the EPF and an increase of \$166 million since the Governor took office.

The Budget also includes \$136 million of new capital appropriations for DEC, OPRHP, Ag&Mkts, and the Olympic Regional Development Authority (ORDA). These resources will be utilized to continue the State Fair modernization plan, accelerate improvements to the State's recreational assets, and fund infrastructure projects statewide, spurring the creation of jobs and leveraging private sector and Federal investment.

Leading the Fight Against Climate Change

The Governor has taken major actions to combat climate change and reduce greenhouse gas emissions. New York has the lowest per capita carbon dioxide emissions of any state in the country, with 9 metric tons of carbon dioxide per person. To further enhance New York's standing, the Governor has set the most ambitious greenhouse gas emissions reduction targets in the nation – 40 percent by 2030 and 80 percent by 2050, as part of the 2015 State Energy Plan.

Most notably, these steps include launching the Reforming the Energy Vision (REV), a comprehensive strategy to build a clean, resilient and affordable energy system for all New Yorkers. REV initiatives include the Clean Energy Standard, which will grow renewable energy to 50 percent of power generation by 2030, and the 10-year, \$5 billion Clean Energy Fund, which drives investment in clean energy and energy efficiency. The fund supports the Governor's \$1 billion NY-Sun solar energy program, and the \$1 billion NY Green Bank, which partners with the private sector to increase investment in clean energy projects.

In June 2017, Governor Cuomo formed the U.S. Climate Alliance with the Governors of California and Washington State to ensure that New York State and 297 other willing partners continue to meet or exceed the targets of the Paris Agreement on climate change. And in August 2017, Governor Cuomo and the eight other states participating in the Regional Greenhouse Gas Initiative agreed to reduce the cap on emissions from power plants an additional 30 percent below 2020 levels by 2030.

In hastening the transition to a sustainable future, Governor Cuomo is also cultivating a vibrant clean energy economy that now employs more than 150,000 New Yorkers. Further, the rate of job growth in this sector far outpaces growth in the economy at large.

To position New York as the leading offshore wind market in the United States and to drive competition, reduce costs and create high quality jobs in this emerging industry, Governor Cuomo is calling for New York State to procure at least 800 megawatts of offshore wind power, enough clean, renewable energy to power 400,000 New York households. To support this, two solicitations will be issued in 2018 and 2019. New York is also a leader in deploying electric vehicles through the Zero Emission Vehicle MOU, Charge NY, the Drive Clean rebate and DEC's municipal ZEV rebate program.

This year, Governor Cuomo is calling on the Comptroller to divest the New York Common Fund from Fossil Fuel Investments. In 2017, the Common Fund listed holdings in more than 50 oil and gas companies that have been identified as among the 100 most carbon-intensive in the world, a figure that has increased since 2016. With billions of public employee dollars invested in the fossil fuel industry, and nearly \$1 billion invested in ExxonMobil alone, the Common Fund holds increasingly risky financial investments for New Yorkers, particularly as both New York State and the world back away from the use of fossil fuel as a primary energy source.

Table 7: Summary of Spending (All Funds)

Category	FY 2018 (millions)	FY 2019 (millions)	Change	
			Dollars (millions)	Percent
Department of Environmental Conservation	1,153	1,253	100	9%
Office of Parks, Recreation and Historic Preservation	344	356	12	3%
Department of Agriculture and Markets	130	132	2	2%
Department of Public Service	80	81	1	1%
Hudson River Valley Greenway	5	22	17	340%
New York Power Authority	3	14	11	367%
Energy Research and Development Authority	24	23	(1)	(4%)
Adirondack Park Agency	5	5	0	0%
Total Environment and Energy Spending	1,744	1,886	142	8%

The Budget increases capital funding for the environment, and maintains funding at current levels for agricultural, environmental, and parks operating programs.

- Department of Environmental Conservation.** Total spending for DEC increases by \$100 million, reflecting spending growth from the Clean Water Infrastructure Act and increases in other capital program spending.
- Office of Parks, Recreation and Historic Preservation.** Total funding for OPRHP increases by \$12 million, reflecting growth in New York Works spending.
- Department of Agriculture and Markets.** Total funding for Ag&Mkts increases by \$2 million, reflecting growth in capital spending for the State Fair modernization.
- Department of Public Service.** Total funding for DPS increases by \$1 million, reflecting growth in State operating spending.
- Hudson River Valley Greenway.** Total funding for the Greenway increases by \$17 million, reflecting capital spending for the new Empire State Trail.
- New York Power Authority.** Total funding for NYPA increases by \$11 million, reflecting capital spending for the new Empire State Trail.
- New York Energy Research and Development Authority.** Total funding for NYSERDA decreases by \$1 million, reflecting a reduction associated with one-time capital spending.

Proposed FY 2019 Budget Actions

- **Renew Record Funding for the Environmental Protection Fund.** The Budget continues EPF funding at \$300 million, the highest level of funding in the program's history. Appropriations include \$39 million for solid waste programs, \$86 million for parks and recreation, \$154 million for open space programs, and \$21 million for the climate change mitigation and adaptation program. This investment will provide funding for critical environmental programs such as land acquisition, farmland protection, invasive species prevention and eradication, enhanced recreational access, water quality improvement, and an aggressive environmental justice agenda.
- **Advance the NY Parks 2020 Initiative and Create a New State Park.** In furtherance of the NY Parks 2020 initiative, which is investing \$900 million in State Parks by 2020, the Budget allocates \$90 million in New York Works capital funding to OPRHP. This funding will aid the ongoing transformation of the State's flagship parks and support critical infrastructure projects. As part of Parks 2020, the State will invest \$15 million to transform the former Pennsylvania and Fountain Avenue landfills into a 407-acre State Park on the shores of Jamaica Bay, creating the largest State Park in all of New York City with 3.5 miles of paths and trails.
- **Complete the Hudson River Park.** The Budget includes \$50 million in capital funding for the Hudson River Park, which will help fulfill the Governor's commitment to complete the park, in partnership with New York City. This funding continues the Governor's support for the park, which has received annual funding for redevelopment and infrastructure repairs. Encompassing over 500 acres and stretching 4.5 miles along Manhattan's West Side, the park is currently 77 percent complete.
- **Support DEC Capital Projects through NY Works.** The Budget includes \$40 million for DEC to address a variety of capital needs to improve access to State lands, rehabilitate campgrounds, and upgrade its recreational facilities, all as part of the Adventure NY program. This funding will also provide for health and safety repairs to State infrastructure, including dams, wetland restoration, State lands, and fish hatcheries.
- **Contain and Treat the Grumman Contamination Plume.** New York is fast tracking construction of a new, state-of-the-art well system to fully contain and treat the plume of contamination caused by industrial waste from the U.S. Navy and Northrop Grumman Bethpage manufacturing facilities in Oyster Bay, Nassau County. The full containment and treatment system is estimated to cost at least \$150 million to construct. The Executive Budget includes sufficient appropriations to support expected outlays in FY 2019, and the State will pursue reimbursement from the U.S. Navy and Northrop Grumman.

- **Attack Harmful Algal Blooms.** Using resources from the Clean Water Infrastructure Act and the Environmental Protection Fund, the State will implement a \$65 million initiative to combat harmful algal blooms in Upstate New York water bodies. The resources will be used to develop action plans to reduce sources of pollution that spark algal blooms, and provide grant funding to implement the action plans, including the installation of new monitoring and treatment technologies.
- **Overhaul Niagara Falls Wastewater Treatment Facility.** The Budget invests \$20 million to launch phase one of the comprehensive infrastructure and operational improvements at the Niagara Falls Wastewater Treatment Facility. In response to a discharge incident last summer, and following an investigation by the Department of Environmental Conservation, phase one of the overhaul will focus on making critical improvements to the wastewater system to deter future discharges and protect water quality for residents and visitors.
- **Empire Forests for the Future Initiative.** To encourage sustainable forestry practices, the Executive Budget includes legislation to reform the forestry property tax exemption law, establish grant programs in support of sustainable forestry, provide assistance to municipalities disproportionately impacted by the exemptions, and create a procurement preference for New York wood products. This legislation will help alleviate development pressures on the State's 14 million acres of privately owned forest lands, conserve open space, support sustainable forest-based industries, encourage renewable energy development, and reduce unfunded mandates on local governments.
- **Increase Food Donation and Recycling of Organic Waste.** The Executive Budget includes legislation to reduce food waste by requiring large volume food waste generators, such as supermarkets, restaurants, colleges and hospitals, to divert excess food to food banks and to recycle and compost food scraps. This bill would help curtail hunger, address food insecurity, divert food waste from landfills, and reduce methane emissions, a harmful greenhouse gas caused by degrading food. In furtherance of this legislation, the Executive budget proposes \$2 million in funding for municipalities and food banks to support food donation and the recycling of food scraps.
- **Expand Access to New York Grown Agricultural Products.** Since its inception in 2013, the Taste NY program has helped 1,100 local companies reach consumers across the globe. The New York Grown and Certified program, since its launching in 2016, has certified over 1,475 farms, representing over 640,000 acres of farmland. Building on this success, the Budget continues funding for initiatives that connect New York's food and beverage producers with consumers, including:
 - \$1.1 million for the Taste NY program. This program promotes the wide variety of foods and beverages grown and produced in the State, making them readily available and recognizable to New Yorkers and the public around the globe;

- \$27.3 million for the New York State Grown and Certified program. This program is designed to strengthen consumer confidence in New York State products, address food product labeling, and assist New York farmers so they can take advantage of the growing demand for local, high quality food;
 - \$625,000 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; and
 - \$40,000 to evaluate and test hop varieties in New York to increase the availability of locally grown hops for the State's growing craft brew industry.
- **Improve Access to Healthy, Locally Sourced Food in Schools.** The Budget promotes the Governor's No Student Goes Hungry Program with \$1.5 million available to the Farm-to-School Grant Program, an increase of \$750,000 from FY 2018. The Farm-to-School program helps Kindergarten through Grade 12 schools connect with local farmers, increase the use of locally grown food on school menus, improve student health, and educate young people about agriculture. At this funding level, the program would serve an estimated total of 18 projects and 328,000 additional students, bringing the estimated total number of students served to 652,000. To further this commitment, the Budget also proposes funding of \$267,000 for the New York Agriculture in the Classroom program, in order to continue in-school programs that teach young children about eating healthy, fresh foods.
 - **Maintain Core Agriculture and Markets Local Assistance Funding.** Funding is continued for core agricultural programs that protect health and safety, provide education, and support the promotion of New York State products. Programs include the Migrant Childcare program, Cornell Veterinary Diagnostic Laboratory, Cornell Pro-Dairy, the Wine and Grape Foundation, and Farm Family Assistance.
 - **Enhance Food Safety and Inspection.** The Budget includes \$2.6 million for the Department of Agriculture and Markets to partner with the Office of Information Technology Services to provide a state-of-the-art food inspection system to modernize food safety. By enabling inspectors to more efficiently review, report and store licensing and inspection information, this technology will improve the State's capacity to conduct inspections and to educate the industry to increase access to safer foods and ensure maximum compliance.
 - **Establish New York as the Leader in Industrial Hemp Production.** As part of a comprehensive package to grow the industrial hemp industry, the Budget invests \$650,000 to establish a new industrial hemp processing facility in the Greater Binghamton area, and \$2 million for a seed certification and breeding program to begin producing New York seed to meet growing demand. Previous State investments have helped triple the number of growers participating in industrial hemp research, resulting in the planting of approximately 2,000 acres of the crop.

- **Launch Unprecedented Energy Storage Initiative to Increase Transmission of Clean, Renewable Energy.** To enhance New York’s ability to store renewable energy and dispatch it when needed, Governor Cuomo is launching an initiative to deploy 1,500 megawatts of energy storage by 2025 and employ 30,000 New Yorkers in this industry. To help reach this goal, the NY Green Bank will commit at least \$200 million for storage-related investments to help drive down costs and to strategically deploy energy storage to where the grid needs it most. Additionally, NYSERDA will invest at least \$60 million through storage pilots and activities to reduce barriers to deploying energy storage (e.g., permitting, customer acquisition, interconnection, and financing costs). In addition to utility procurements and regulatory changes, these investments will be critical to jumpstart the market, and support robust and cost-effective project development on the way to achieving the 1,500 megawatt goal.