



CLIMATE BUDGET



A **5** year \$33 billion investment to deliver a **Green Economy** and resilient communities, and to preserve the environment.

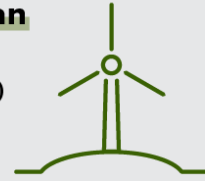
RESTORE MOTHER NATURE BOND ACT



is a **\$3 billion commitment** to provide the resources needed to **preserve our natural ecosystems** and adapt to climate change.

OFFSHORE WIND PROJECT

Enacted the nation's largest to generate **clean energy**, create more than 1,600 jobs and spark **\$3.2 billion** of economic activity.



Investments expanded to ensure more New Yorkers have access to **clean drinking water**.

NY PARKS 2020

Multi-year plan to **revitalize and modernize** our parks.



Builds on the success of

NY GROWN AND CERTIFIED PROGRAM

connecting **NY food and beverage producers** to consumers around the country.



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Decisively confronting climate change is the challenge of this generation, and New York is leading the nation. Last year, Governor Cuomo launched the Green New Deal, a comprehensive clean energy and green jobs agenda and signed the Climate Leadership and Community Protection Act (CLCPA), positioning New York as a leader in the on-going battle against climate change.

This year, Governor Cuomo is supporting these goals by proposing the \$3 billion Restore Mother Nature Bond Act as part of an overall \$33 billion five-year climate change investment. This unprecedented financial commitment represents the foundation of New York State's 21st Century Green Economy as the State spurs unparalleled innovation and transformation of its electric, transportation, and building infrastructure. This investment will combat the threat of climate change and strengthen the resilience of our State's communities against powerful and dangerous storms, while providing New Yorkers with cleaner air and water and creating thousands of jobs.

The FY 2021 Executive Budget also continues the commitment of an additional \$2.5 billion over five years for drinking water infrastructure, wastewater infrastructure, and water quality protection, doubling the State's already historic investment in clean water projects. The Executive Budget renews the highest-ever level of funding for the Environmental Protection Fund (EPF) and allocates significant capital funds to maintain and improve environmental and recreational facilities.

By providing the necessary resources to the State agencies and public authorities focused on promoting the health of our environment, New York will continue as a leader in the green 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, the 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 while enhancing the health, safety, and well-being of New York's citizens. 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, enjoyable 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 181 State parks and 35 historic sites. In 2018, the system welcomed a record 74 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.

The Department of Public Service (DPS) functions as the staff arm of the Public Service Commission (PSC), which regulates the rates and services of public utilities – an industry with an estimated \$33 billion in annual revenue. DPS oversees the siting of major utility infrastructure and provides oversight of cable franchise agreements and telecommunications service. Additionally,

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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.

Leading the Fight Against Climate Change and Building Resilient Communities

The Governor's Climate Change Plan invests \$33 billion over five years in environmental conservation and resiliency -- supported by the \$3 billion Restore Mother Nature Bond Act -- and in Green Energy and Carbon-Free Transportation. This investment will help deliver the promise of the Governor's nation-leading Green New Deal and the development of a Green Economy while helping achieve the goals of the CLCPA. Signed by the Governor in July 2019, the CLCPA requires the State to achieve a carbon-free electricity system by 2040 and reduce greenhouse gas emissions 85% below 1990 levels by 2050.

The CLCPA also ensures landmark investments in environmental justice. Relevant State agencies will explore how to invest 35% of clean energy program resources to benefit disadvantaged communities. Additionally, the Just Transition Working Group will work to ensure that individuals working in conventional energy industries are provided with training and opportunities in the growing clean energy economy.

Restore Mother Nature	\$3 Billion Restore Mother Nature Bond Act
	\$740 Million State Funding
Green Energy	\$28 Billion
Carbon Free Transportation	\$1.5 Billion

- **Restore Mother Nature.** Centered on the Governor's \$3 billion Restore Mother Nature Bond Act and supplemented by \$740 million in additional State funding, New York State will reduce flood risk, invest in resilient infrastructure and revitalize critical fish and wildlife habitats. It will do this by connecting streams and waterways, right-sizing culverts and dams, restoring freshwater and tidal wetlands, reclaiming natural floodplains, restocking shellfish populations and upgrading fish hatcheries, preserving open space, conserving more forest areas, replanting more trees, reducing contamination from agricultural and storm water runoff, and expanding renewable energy. This wide-reaching environmental conservation and resiliency investment includes support from the Department of Environmental Conservation and the Environmental Protection Fund.
- **Green Energy:** Governor Cuomo has set New York on course to achieving 70 percent of its electricity from renewable sources by 2030, and zero greenhouse gas emissions from the electricity sector by 2040. Under his leadership, the State has made substantial progress toward these goals with significant investments in energy efficiency, solar energy, wind energy and energy storage. To help achieve these goals, the Climate Budget invests \$28 billion through the New York State Energy and Research Development Authority (NYSERDA), New York Green Bank, the New York Power Authority (NYPA),

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and Regional Greenhouse Gas Initiative (RGGI) to develop, support and expand carbon-free energy production, build the infrastructure such as transmission lines and energy storage that makes renewable energy sources viable, and work with our regional partners in driving down carbon emissions.

- **Carbon-Free Transportation:** New York already has the second most efficient transportation sector and lowest CO2 emissions per capita of any state. New York is a leader in electric vehicles (EVs), thanks to the Charge NY initiative launched by Governor Cuomo in 2013. Charge NY set ambitious goals – 30,000 EVs and 3,000 EV charging stations by the end of 2018 – and exceeded them. Over 50,000 electric vehicles have been purchased in New York since 2013 — more than 48 other states. The Climate Budget invests \$1.5 billion to continue to reduce carbon emissions in New York State. This investment supports the Metropolitan Transportation Authority’s commitment to electrify its bus fleet by 2040, the Governor’s requirement that the five of the largest upstate and suburban transit authorities electrify 25 percent of their fleets by 2025 and 100 percent by 2035, and the expansion of fast-charging stations along key corridors through the Evolve NY initiative.

Investing in Agriculture and Clean Water

Governor Cuomo has made unprecedented investments in the State’s agricultural programs and clean water infrastructure. These include:

- Enacting the historic \$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 a \$400 million municipal clean water infrastructure grant program with the Water Infrastructure Improvement Act of 2015; and
- Extending the State Superfund hazardous waste cleanup program by \$1 billion.

The State has invested more in agriculture during Governor Cuomo’s tenure than at any point in New York’s 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 continues to prioritize the promotion of locally grown and produced foods and products.

The FY 2021 Executive Budget maintains support for critical environmental protection programs. To ensure New Yorkers have access to clean water, the Budget includes a new five-year commitment of \$2.5 billion in clean water funding while continuing the \$2.5 billion of funding provided by the Clean Water Infrastructure Act, enacted in 2017, which supports drinking water, wastewater, and source water protection initiatives.

Not including the Restore Mother Nature Bond Act, the Executive Budget also includes \$1.7 billion of new capital appropriations for DEC, OPRHP, Ag&Mkts, and the Olympic Regional Development Authority (ORDA). These resources will be used 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.

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Table 8: Summary All Funds Spending

Category	FY 2020 (millions)	FY 2021 (millions)	Change	
			Dollars (millions)	Percent
Department of Environmental Conservation	1,440	1,585	145	10%
Office of Parks, Recreation and Historic Preservation	397	372	(25)	(6)%
Department of Agriculture and Markets	118	130	12	10%
Department of Public Service	93	96	3	3%
Hudson River Valley Greenway	46	45	(1)	(2)%
New York Power Authority	36	31	(5)	(14)%
Energy Research and Development Authority	20	22	2	10%
Adirondack Park Agency	5	6	1	20%
Total Environment and Energy Spending	2,155	2,287	132	6%

The Executive Budget increases capital funding for agricultural, environmental, and parks capital programs by approximately 6%.

- **Department of Environmental Conservation.** Total spending for DEC increases by \$145 million, reflecting spending growth from the Clean Water Infrastructure Act, the proposed Restore Mother Nature Bond Act, and increases in other capital program spending.
- **Office of Parks, Recreation and Historic Preservation.** Total funding for OPRHP decreases by \$25 million, reflecting a decrease in capital spending.
- **Department of Agriculture and Markets.** Total spending for Ag&Mkts increases by \$12 million. The change primarily reflects the increase in capital spending for the State Fair and additional dairy and plant inspection employees.
- **Department of Public Service.** Total spending for DPS increases by \$43 million, reflecting growth in State Operations spending.
- **Hudson River Valley Greenway.** Total funding for the Greenway decreases by \$1 million, reflecting a reduction in capital spending for the Empire State Trail.
- **New York Power Authority.** Total funding for NYPA decreases by \$5 million, reflecting decreasing capital spending for the Empire State Trail.
- **New York Energy Research and Development Authority.** Total funding for NYSERDA increases by \$2 million, reflecting an increase in West Valley spending.

Proposed FY 2021 Budget Actions

- **Pass the \$3 Billion Restore Mother Nature Bond Act.** This year, New York will launch Restore Mother Nature, the nation's most aggressive program for significant habitat restoration and flood reduction, funded in part by a \$3 billion environmental bond act.
- **Launch New Round of the Clean Water Infrastructure Investment.** The Executive Budget continues the commitment to a second \$2.5 billion commitment for clean water, with an additional \$500 million appropriation to support drinking water infrastructure,

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wastewater infrastructure, and water quality protection, bringing the State's investment in clean water to \$3.5 billion

- **Ban Single-Use and Packaging Styrofoam Products.** To build on the progress of last year's plastic bag bill, the Governor is proposing new legislation to prohibit the distribution and use of expanded polystyrene, commonly known as Styrofoam, single-use food containers and packaging materials by January 1, 2022. This proposal would ban the distribution and use of expanded polystyrene foam containers used for prepared foods or beverages served by food service establishments, including restaurants, caterers, food trucks, retail food stores, delis and grocery stores. It would also ban the sale of polystyrene loose-fill packaging, commonly known as packing peanuts.
- **Expand Extended Producer Responsibility Programs.** Under Governor Cuomo's leadership, New York State presently administers three existing Extended Producer Responsibility (EPR) programs – e-waste, mercury thermostats and rechargeable batteries – which have diverted over 725 million pounds of difficult-to-manage waste from landfills, reducing the costs and environmental impacts of these products at the end of their useful life. To expand on this success, Governor Cuomo is proposing legislation to expand these

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takeback programs to two particularly difficult-to-manage products, mattresses and carpets. In addition, the Department of Environmental Conservation will evaluate the need for EPRs for additional products to further reduce waste in landfills.

- **Renew Record Funding for the Environmental Protection Fund.** The Executive 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, \$89 million for parks and recreation, \$152 million for open space programs, and \$20 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.
- **Support DEC Capital Projects through NY Works.** The Budget includes \$55 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.
- **Continue Capital Investments in NY Parks.** The Executive Budget allocates \$110 million in New York Works capital funding for OPRHP. This funding will aid the ongoing transformation of the State's flagship parks and support critical infrastructure projects.
- **Create Two New State Parks.** The Restore Mother Nature Bond Act will dedicate funding for the creation of two new state parks along the Hudson River. The first, a new 508-acre park in Kingston, will protect over a mile of riverfront and create a series of trails ranging from easy walks to more challenging trails for ambitious hikers. The second is the Hudson Eagles State Recreation Area, which will be New York's first linear, water-based park and will connect five revitalized Upper Hudson boat launches.
- **Provide Capital Funding to the Adirondack Park Agency.** The FY2021 Executive Budget provides APA with a capital budget in order to renovate their historic headquarters located in Ray Brook, NY.
- **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 3,000 participating farms, representing over 750,000 acres of farmland. Building on this success, the Executive Budget continues funding for initiatives that connect New York's food and beverage producers with consumers, including:

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- \$28.9 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;
- Beginning in FY 2021, appropriations and spending for the Taste NY program are being consolidated at the Empire State Development Corporation. 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.
- **Agriculture and Markets Local Assistance Funding.** The Executive Budget proposes to maintain the core Ag & Markets local assistance appropriations that were increased as part of the FY 2020 Executive Budget. The appropriation decrease is a result of the Taste NY program being consolidated at ESD and a right-sizing of the Grow NY appropriation. These programs provide the specialized technical assistance, industry promotion, and research investments to reduce farms' exposure to economic and climate inconsistency statewide. The Executive Budget also proposes support for the continued agricultural economic development and promotion of New York produced food and beverage goods and products. These core investments, in addition to programs that support food access, agricultural education, and workforce development, will continue to support our farms and communities.
- **Enhance Dairy Products Inspections.** The Executive Budget includes funding for eight new dairy products inspectors and associated lab staff at Ag&Mkts. As the number of establishments requiring inspection increases, more inspectors are needed to meet the need and reduce public health risks.
- **Extending and Expanding the New York State Fair.** In 2019, Governor Cuomo announced the GreenFair 2023, which will make the entire Fair powered by standalone renewable energy sources and a zero-waste facility. The Executive Budget includes \$15 million in capital appropriations, an increase of \$10 million from FY 2020. This funding will be used to make continued improvements to the overall Fairgrounds and to make electrical upgrades to temporary structures. Ag&Mkts will also continue repair and rehabilitation of the Fair's facilities to allow for year-round operation of the Fairgrounds, including the Expo Center. The Executive Budget also includes an additional \$4.9 million in appropriations to extend the State Fair by five days. The State Fair will include an additional weekend and new programming, including a motor show held in the Expo Center and sensory friendly days.
- **Address the Growth in the State's Hemp Industry.** The Executive Budget includes \$1.1 million in resources to support nine additional hemp oversight and inspection related staff. Hemp legislation was signed into law in December 2019 to establish a regulatory framework for the production and sale of hemp and grants the Ag&Mkts supervision over hemp growers
- **Green Economy Tax Credit.** The budget creates a new refundable, discretionary Green Jobs Tax Credit totaling up to 7.5 percent of wages for each net new job created fostering the expansion of green economy businesses and position New York State to further capitalize on significant projected green economic growth. The State will also create a refundable, discretionary Green Investment Tax Credit totaling up to 5 percent of qualifying new capital investments in connection with qualifying green economy projects and increasing to up to 8 percent of eligible investment for research and development in qualifying green economy projects.

