



Joint Legislative Hearing: Environmental Conservation

Testimony by Adrienne Esposito, Executive Director, Citizens Campaign for the Environment

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Thank you for the opportunity to provide testimony today. My name is Adrienne Esposito, and I am the Executive Director at Citizens Campaign for the Environment (CCE). CCE is a 120,000 member, non-profit, non-partisan advocacy organization working to empower communities and advocate solutions that protect public health and our natural environment.

SUPPORT CLEAN WATER, CLEAN AIR, SAFE COMMUNITIES, AND JOBS (MAINTAIN FUNDING FOR EXISTING ENVIRONMENTAL PROGRAMS):

New York State must recognize that programs to protect clean air, clean water, and healthy communities are necessities, not luxury items that can be disproportionately cut during fiscal downturns. Hard economic times like these demand that we protect and enhance the environment we share, and in doing so, we can create solutions that will ensure we build a prosperous future.

NY's environmental programs create good-paying jobs, strengthen local economies, provide clean drinking water, protect vulnerable coastline communities, and advance environmental justice. Given the severe toll the Covid-19 pandemic was waged on our health and economy, the critical benefits NY's environmental programs provide are needed now more than ever if we are going to build back stronger than before.

CCE urges the following state programs to be at least maintained at currently appropriated levels, deployed effectively throughout the state, and that no further cuts to or sweeps from environmental programs and staff be contemplated:

- **Water Infrastructure Improvement Act (\$500 Million):** NY State made history when the legislature worked with the Governor to enact the Clean Water Infrastructure Act of 2017, which is investing \$2.5 billion over 5 years in upgrading wastewater and drinking water infrastructure, protecting source water, and other provisions to protect our treasured waters across the state. The last two years budgets each included an additional \$500 million, as part of the Governor's promise to provide an additional \$2.5 billion over five years. Investments made through the CWIA are making a tremendous impact in advancing shovel-ready projects, protecting drinking water quality, and creating jobs throughout New York. To date, this successful program has invested \$3.9 billion to upgrade clean water infrastructure—creating 17 local jobs for every \$1 million invested.

These investments are yielding significant results; however, we still have much work to do to address all of New York's clean water needs. Only a fraction of those that have applied for funding under WIIA have received funding, meaning that many worthy projects have not been funded. This speaks

to both the popularity of the grant program, as well as the need to provide additional funding to meet the clean water infrastructure needs of communities across the state. As you know, New York State has estimated that the combined wastewater and drinking water needs in the state exceed \$80 billion over the next 20 years. This does not even include the cost of addressing harmful algal blooms, source water protection, or treating for new MCLs for 1,4-dioxane, PFOA, and PFOS. On Long Island alone, water suppliers have estimated a cost of \$840 million to treat 185 wells contaminated with 1,4-dioxane. We have solutions to these problems, and we can't afford not to use them. *As proposed in the Executive Budget for 2021-2022, NY should provide \$500 million for the CWIA, and continue to fulfill Governor Cuomo's commitment to provide an additional \$1.5 billion over the next three years.*

- **Environmental Protection Fund (\$300 Million):** Since 1993, the EPF has invested in projects to protect and restore our land, air, and water resources in every region of the state. The EPF supports 350,000 jobs across the state, and EPF-supported industries generate approximately \$40 billion in economic activity every year. CCE is grateful that the legislature and Governor worked to provide \$300 million appropriations to the EPF over the past five years. This helped create jobs, support tourism, protect clean water, conserve open space, save family farms, bolster recycling programs, revitalize waterfronts, build community parks, and more. CCE appreciates the Governor's commitment to environmental funding with his proposal to fund the EPF at \$300 million for the sixth straight year. We look forward to working with the legislature and the Governor to support continued EPF funding during this year's budget negotiations. Specifically, in the EPF CCE is requesting:

- **Ocean and Great Lakes program be restored to \$18.75:** We urge you to renew the existing \$18.75 million allocation for the Ocean and Great Lakes Program as part of a \$300 million EPF. Funding will continue to help implement goals identified in the NY Ocean Action Plan and will help advance offshore energy renewables planning in a smart way, protective of well-loved endangered species like the North Atlantic right whale; ensure coastal water quality and shorelines' natural resilience; and remedy persistent flooding, nutrient pollution, and harmful algal blooms in the Great Lakes-St. Lawrence River basin.

- **Regional Greenhouse Gas Initiative (no sweeps):** To date, \$228 million has been swept from RGGI into the general fund. To save ratepayers' energy and money, create jobs, and implement the Climate Leadership and Community Protection Act (CLCPA), NY must not divert any additional funds from this important program.

- **Agency Staff at DEC (increase staff levels):** Although there has been a slight uptick in the last few years, overall, total FTEs at DEC have been reduced by more than 740, or 19% since 2000—despite the expansion of DEC responsibilities, including implementation of the Climate Leadership and Community Protection Act (CLCPA). The Executive Budget proposes to provide several additional DEC staff, largely to implement the CLCPA. This is an important step in the right direction, and the legislature should continue to seek opportunities to further increase much needed DEC staffing.

ADDRESS THE STATE'S SOLID WASTE CRISIS

At the local, state, national level—we are all experiencing a solid waste and recycling crisis. Instead of creating our own markets and developing our own infrastructure, we relied on sending our recyclables to China and other overseas markets. In January of 2018, China dramatically altered their policy and now requires inspections of all recycling materials before accepting

them, including New York's paper and plastic. That has essentially halted the ability of the U.S. to send recyclable materials to China and other overseas markets.

Municipalities that were once getting paid for their recyclables, now must pay to recycle them. As a result, many municipalities face recycling costs in the hundreds of thousands or even millions of dollars per year. According to the Product Stewardship Council, in 2020, these costs are estimated to total \$60 million in New York State, without even including the impact in New York City. The impacts of the Covid-19 pandemic have only served to exacerbate financial stress to local governments. Local officials are now forced to consider raising fees on residents and/or reducing the recycling services provided to communities.

Markets routinely fluctuate, but we have entered a new normal—a new normal that needs new, innovative solutions. Policy changes at the state level are a necessity to address New York's ongoing solid waste crisis, save valuable natural resources, drive economic development, avoid tax increases and protect our environment. CCE thanks the legislature and the Governor for taking critical steps to address our solid waste and litter woes by banning carryout plastic bags and banning Expanded Polystyrene (EPS) food service containers and packaging peanuts in recent state budgets. However, to adequately address our solid waste challenges we need to do more. Managing our solid waste is doable and necessary, but it will take state leadership. Therefore, CCE urges New York State to consider the following funding and policy initiatives in the 2021-2022 NYS Budget:

- **Adopt Extended Producer Responsibility (EPR) for Packaging and Printed Paper**

CCE urges the legislature to consider large-scale solution that would create a much needed, systematic, and significant transformation to the entire solid waste system—extended producer responsibility for packaging and printed paper. If New York State is serious about truly addressing our solid waste woes, and not merely applying band aids, EPR must be considered in the 2021 legislative session.

New York generates more than 17 million tons of municipal solid waste annually. An estimated 40 percent of that waste is composed of product packaging and paper products, such as plastic containers, steel cans, plastic film, glass bottles, newspaper, and cardboard. Unfortunately, less than half of this waste is being recycled properly. Instead of being recycled, much of this waste is ending up as litter in our communities, shipped to landfills, or burned in trash incinerators.

Policy changes in China that have restricted the export of recyclable packaging and printed paper materials have significantly increased the costs for local governments and taxpayers to manage and dispose of these materials. While local governments in NYS are tasked with achieving waste diversion goals—increasing costs to taxpayers—manufacturers currently bear no responsibility in dealing with the waste that they create. As noted previously, according to the Product Stewardship Council, in 2020, these costs are estimated to total \$60 million in New York State, without even including the impact in New York City.

Large brands have externalized the cost of disposing of packaging onto our municipal recycling programs. For example, an estimated 165 billion packages are shipped in the U.S. every year, with the cardboard used roughly equating to more than 1 billion trees.

Companies (think Amazon and Blue Apron) currently bear no responsibility in dealing with the packaging waste that their business creates. Instead, taxpayers are shouldering the financial burden for disposal.

Extended Producer Responsibility (EPR) would require producers (brand owners) to take responsibility for their products throughout their entire product life cycle, by bearing the cost of proper recycling and responsible disposal for packaging and printed paper. *Not only does this provide relief to taxpayers, it also serves as an incentive to producers to minimize packaging materials, improve recyclability, and reduce the toxicity of their products.* Packaging EPR policies have existed in Canada and the EU for decades, and have resulted in recycling rates upwards of 80%.

In 2014, British Columbia adopted a packaging EPR law, which now stands as a shining example of success. In 2017, Recycle BC, (the industry funded non-profit organization comprised of over 1,100 companies including manufacturers, retailers, restaurants and first importers that supply packaging and paper to BC residents) recovered approximately 175,000 tons of packaging and paper products from 3.5 million residents, amounting to a recovery rate of 75%. The majority of collected material was sold to end markets for use in the manufacturing of new products and packaging. Even with the China Ban, the Recycle BC program remains successful. British Columbia's EPR program has garnered improved environmental outcomes by collecting larger quantities of packaging and paper products with lower rates of contaminations. Subsequently, the material is managed more efficiently and responsibly. This program saves local governments an estimated \$100 million annually by shifting the responsibility to the producers of packaging and paper products.

New York State already has EPR policies for e-waste, mercury thermostats, and rechargeable batteries, and most recently, pharmaceutical drugs and consumer paint. Enacting EPR for packaging and printed paper is logical next step, and would help address the state's solid waste problems, while benefiting the environment and providing relief to taxpayers. *Legislation has been introduced by Senator Kaminsky (S.1185) and Assemblyman Englebright (awaiting print/bill #) that serves as a model for EPR for packaging and printed paper. CCE urges the legislature to include this critical legislation in their respective budget proposals for SFY 2021-2022.*

- **Adopt Product Stewardship/EPR Program for Carpets**

The public and businesses have almost no way to recycle carpets in a convenient and cost-effective way. Nationwide, less than 5 percent of it is recycled, and the New York recycling rate is only 1 percent, meaning that about 500 million pounds of NYS carpets go to landfills and incinerators each year. Local governments are now facing higher costs associated with recycling and waste. In New York it is estimated that the annual cost of carpet disposal to be \$22 million. Carpets are expensive and difficult for municipalities to manage, and often contain harmful chemicals, including PFAS.

Implementing a product stewardship program for carpets will help ensure that manufacturers take responsibility for managing their products throughout their entire life cycle, which will incentive them to make products that are less toxic and more recyclable, while reducing the financial burden currently placed on already overburdened municipalities and taxpayers across

New York State. *CCE supports efforts to adopt a strong policy for carpet product stewardship in the final SFY 2021-2022 budget.*

- **Expand and Modernize the Bottle Bill**

New York State’s Returnable Container Law (aka “the Bottle Bill”) was enacted in 1982, and after 38 years of existence, stands as one of New York’s most successful and impactful environmental laws. The program established a 5-cent refundable container deposit on beer, malt liquor, wine coolers, and carbonated soft drinks sold in a metal, glass, paper or plastic container that are less than 1 gallon in volume. The Bottle Bill was updated and improved in 2009 to include bottled water, and to direct 80% of unclaimed deposits to be kept by the state.

The Bottle Bill has reduced roadside container litter by 70 percent. In 2016, the Bottle Bill helped to recycle 5.1 billion plastic, glass and aluminum beverage containers totaling more than 336,000 tons; at no cost to local governments. It is also important to highlight that a deposit is NOT a tax, it is a deposit—the bottle deposit is 100% refundable, and those that return their bottles don’t have to pay a nickel. Despite the success of the Bottle Bill, more must be done to modernize this bedrock law in order to help address the solid waste crisis, reflect current markets, and further protect the health of our environment. New York State can improve beverage container recycling rates and support municipal solid waste reduction by modernizing and expanding the Bottle Bill in the 2021-22 state budget. At a minimum, CCE recommends that New York State:

- ✓ Increase the amount of the container deposit to 10 cents on each covered container. An increased deposit will yield higher return rates through the bottle deposit program. Michigan’s 10-cent deposit has produced a return rate of 96% (New York’s return rate in 2015 was 65%). Increasing the deposit to 10 cents will help further reduce litter, and will also reduce the amount of materials going in curbside recycling bins, thus reduce costs to local governments.
- ✓ Expand covered containers to include wine, liquor, and other glass beverage bottles. Many of the glass containers that are carefully cleaned and placed into recycling bins have been sent to landfills for years. Statewide, more than 122 million pounds of recycled mixed glass was used for landfill access roads and trash cover last year because there were no willing buyers. In contrast, glass materials collected under the bottle deposit system produce a higher quality post-consumer recycled product than glass collected through curbside recycling programs. Glass collected through curbside recycling programs is frequently heavily contaminated with paper, cardboard and other recyclables, which must be sorted mechanically. Because of this, materials collected actually bring in significantly lower per-ton scrap revenues. Curbside glass, in fact, actually costs about \$20/ton to recycle, versus deposit glass that has a \$20/ton scrap value.

Including a deposit on wine, liquor, and other glass beverage containers will provide significant financial relief to municipal recycling programs, while helping to ensure that glass bottles are actually recycled. Glass wine and liquor bottles can and must be incorporated into the current deposit system. Furthermore, the legislature should consider a higher deposit for wine and liquor bottles to incentivize the public to return for recycling—CCE recommends 25 cents per each wine and liquor bottle.

CCE has long supported expanding the Bottle Bill to include juices, teas, sports drinks,

and other non-carbonated beverages. Including other beverage containers that are popular today would increase recycling, reduce plastic pollution, save energy, and reduce greenhouse gas emissions. CCE also understands that including a deposit on these beverage containers will largely remove them from curbside recycling bins, where they provide a valuable revenue stream for municipal recyclers at a time when they are struggling with significant budget shortfalls that threaten the viability of their recycling programs. CCE believes that this adverse impact to municipal recycling programs must be addressed before the Bottle Bill is expanded to other non-carbonated beverages.

ADOPT AN ENVIRONMENTAL BOND ACT (\$3 BILLION):

Last year's \$3 billion Restore Mother Nature Bond Act was intended to provide much-needed funding to make communities more resilient to climate change, protect and restore water resources, and support job creation and sustainable economic development. From the Great Lakes to our marine coast, New York State is on the front lines of the climate crisis. Extreme weather events, such as Superstorm Sandy, along with record flooding, such as what we've experienced along Lake Ontario, have wreaked havoc on New York State in recent years. It is essential that we protect and restore natural systems, while making our shorelines and communities more resilient to the impacts of climate change. An environmental bond act can serve as a game-changer in this regard. While the bond act was pulled from the 2020 ballot due to economic downturn caused by the pandemic, the need for this important initiative is as strong as ever. *CCE supports the adoption of a new \$3 billion bond act, based on the 2020 Restore Mother Nature Bond Act.*

EXTEND THE PROHIBITION ON WATER SHUTOFFS:

From 2010 to 2017, water bills increased 41 percent across the country. More and more households, particularly during the economic downturn caused by the pandemic, cannot afford the burden. Missed bill payments can trap families in crushing water bill debt and can cause utilities to shut off water; a policy that disproportionately harms low-income communities and communities of color. New York State took an important step to prohibit water shutoffs during the pandemic; however, this prohibition is set to expire on March 31, 2021. With the pandemic ongoing, no end in sight to our economic challenges, and the need for access to clean water as important as ever for NY households, it is critical that New York State extend the prohibition on water shutoffs and take other actions to ensure water is affordable for all New Yorkers.

BUILD A RENEWABLE ENERGY FUTURE

The Covid-19 pandemic has decimated our economy and our health, while climate change remains as our biggest, long-term existential threat. To spur COVID-19 economic recovery, create new jobs, protect our health, lead the fight against climate change, and implement the Climate Leadership and Community Protection Act, New York must act immediately to build a clean, renewable energy future. CCE supports the Governor's proposal to spur more than \$29 billion in public and private investment across the state and create 12,400 megawatts of green energy - enough to power 6 million homes. New York's 2021-22 budget must support efforts to move forward with offshore wind projects, large scale solar, energy storage, electric buses and other clean transportation initiatives, improve energy transmission, and more. *CCE looks forward to working with the Governor and the legislature to maximize our efforts to advance renewable energy development in 2021.*