

2025 Joint Legislative Budget Hearing
Environmental Conservation/Energy

Testimony of
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Preserving New York's Natural Resources and Improving the Quality of Life for All

Thank you Senate Finance Committee Chair Krueger, Assembly Ways and Means Committee Chair Pretlow, Ranking Members Senator O'Mara and Assemblyman Ra, and members of the Joint Legislative Budget Committee, for the opportunity to present Scenic Hudson's perspective on Governor Kathy Hochul's Executive Budget Proposal for the 2025-2026 fiscal year.

Scenic Hudson's mission is to sustain and enhance the Hudson Valley's inspirational beauty and health for generations to come. We are doing so by preserving land and farms and creating parks that connect people with the inspirational power of the Hudson River while fighting threats to the river and natural resources that are the foundation of the Hudson Valley's prosperity. Our work is making the Hudson Valley a model for responding to climate change and providing the people of the Hudson Valley with the tools and support they need to strengthen their communities and advocate for themselves.

I would like to thank the Governor and the state Legislature for your leadership in enacting a strong SFY 2024-25 budget that maintained investments in critical environmental and climate resiliency programs despite proposed cuts. Your collective work secured a \$400 million investment in the Environmental Protection Fund (EPF) with no "offload" for agency staffing costs, \$300 million for State Parks capital improvements, and \$500 million in Clean Water Infrastructure Act funding. The SFY 2025-26 budget and legislative sessions present an opportunity to build upon your nation-leading work by expanding funding to key environmental and conservation programs, and making strategic enhancements to the state's land acquisition process.

The following are Scenic Hudson's priorities for the SFY 2025-2026 budget session. Scenic Hudson encourages the Legislature to:

- Increase the Environmental Protection Fund to \$500 million,
- Provide \$250 million in capital funds for NYS Parks,
- Increase the Clean Water Infrastructure Act allocation to \$600 million,
- Support the Governor's proposed funding for climate and flood resiliency,
- Add Sojourner Truth State Park and Franny Reese State Park to the list of State Parks covered by Real Property Tax Law Section 532,
- Support the Governor's proposal to exempt not-profit organizations from the Mansion Tax, and

- Prioritize the modernization of the state land acquisition process through the use of title insurance and creation of a land acquisition grant program to disburse the \$300 million dedicated to open space land conservation projects under the Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022 (the “Bond Act”).

Environmental Protection Fund

The EPF is New York’s only dedicated capital investment program for the environment. It supports more than 100 environmental programs that provide a broad array of resources benefitting all New Yorkers. We thank the Governor and the Legislature for committing \$400 million to the EPF in last year’s budget.

The demand for EPF-funded programs continues to outpace available funding by a wide margin. and in response, **Scenic Hudson joins with the New Yorkers for Clean Water and Jobs coalition in urging the Legislature to increase the EPF to \$500 million in the SFY 2025-26 budget.** Doing so will expand programs that will further protect our environment, enhance our communities, and bolster our economy. From safeguarding clean water to promoting climate resilience, an increased EPF would help to ensure a healthier, more vibrant future for our state through the advancement of the goals envisioned in New York’s Climate Leadership and Community Protection Act.

We are supportive of funding for individual EPF line items and programs at the following levels:

- **Soil and Water Conservation Districts:** \$17.25 million (Governor proposed at \$17.25 million)
Much of the current work to transition farms to climate-resilient farming practices in New York State would not be possible without local Soil and Water Conservation Districts (SWCDs). SWCDs play a pivotal role in providing targeted funding and delivering technical assistance to farmers and land managers in every county of the state, enabling the on-the-ground application of research-informed climate-resilient farming practices. In the Climate Action Council’s Scoping Plan, expanding SWCD capacity is a key component of multiple strategies to achieve our state’s climate goals. Scenic Hudson supports the Governor’s proposal to maintain the funding level for SWCDs at \$17.25 million, but encourages increased funding to further build District capacity to assist and educate farmers and land managers on the front lines of a changing climate. Scenic Hudson is working collaboratively with SWCDs in the Hudson Valley through our regenerative agriculture initiatives to promote sustainable agricultural practices that provide us with nutritious, local food and strengthen farm viability.
- **Climate Resilient Farming Program:** \$33 million (Governor proposed at \$15.25 million)
In October 2024, Scenic Hudson joined with the Department of Agriculture and Markets, Assemblymember Didi Barrett, and Chaseholm Farm to host a roundtable discussion with farmers regarding their experiences with the Hudson Valley Carbon Farming Pilot Project. This program piloted the implementation of regenerative farm practices and methods to study the carbon and other greenhouse gas sequestration potential of on-farm best management practices on Hudson Valley farms. From that discussion, we learned how lessons from this pilot project have been applied throughout the region and across the state through key Department of Agriculture and Markets (DAM) and New York State Soil and Water Conservation Committee (SWCC) programs, notably the Climate Resilient Farming program.

Last year, the State was able to leverage funding from USDA's Climate Smart Commodities grant program to accelerate the important on-farm work being accomplished through New York's Climate Resilient Farming Program, disbursing approximately \$33 million in grants to farmers implementing regenerative farming practices and reducing agricultural carbon emissions. However, even though the funds available for climate resilient farming projects were more than doubled with the boost provided through this one-time federal grant, the program was not able to fulfill every funding request, the total of which exceeded \$48 million. Scenic Hudson respectfully submits that \$33 million should be the new funding floor for the Climate Resilient Farming Program, acknowledging the demonstrated need for funding and the fact that \$33 million was put directly to work on farms in 2024 making immediate positive impacts. More funding for climate resilient farming practices will support the farmers who are already using these methods, and will enable more farmers to adopt both centuries-old and innovative practices that reduce on-farm emissions, sequester carbon, protect and increase water quality, increase food system resiliency and farm viability, and provide essential ecosystem services.

- **Farmland Protection:** \$25 million (Governor proposed at \$21 million)
The need to protect farmland is especially urgent in fast-growing regions of the state — such as the Capital Region and Hudson Valley — facing acute development pressure and conversion of working farms to non-agricultural uses. To keep local farms in business and meet growing demands for fresh food, the state must protect more farmland. We applaud the Governor for her proposal to significantly enhance the agricultural and farmland protection program, and encourage the Legislature to include this proposal in your one-house budgets.

In order to fulfill the promises of an expanded program, an annual allocation of at least \$25 million is required. Protecting farmland and avoiding its conversion to other uses is a critical step in achieving the state's conservation goals and ensuring that these precious lands are available to feed our communities and achieve climate solutions.

Scenic Hudson is continuing our work to conserve farmland in the Hudson Valley's Foodshed. Updates on this work are available at <https://www.scenichudson.org/our-work/conservation/farms/>.

- **Open Space/State Land Conservation:** \$50 Million (Governor proposed at \$37.5 million)
New York State aims to significantly increase the conservation and enhancement of its natural resources, and increasing funding to the EPF's open space account can help to achieve this. Currently 20% of the state has been protected, with an additional 3,190,806 acres needed to meet conservation targets. In the Hudson Valley alone, approximately 310,000 acres need to be conserved in order to meet a 30% conservation goal of the lands in just our ten county region. To meet the needs and priorities of our state, and to provide the benefits of fresh, local food, clean water, and physical health to all New Yorkers, we support an increase in the annual open space/land conservation allocation to at least \$50 million.

Conservation of land and water has a big role to play in achieving climate goals. Scenic Hudson developed Hudson Valley Conservation Strategy (HVCS) in part to identify the best potential conservation investments for achieving a resilient, functional, and productive landscape in the Hudson Valley region. Guided by the HVCS and our existing conservation strategies, we have

conserved more than 53,000 acres, including creating or enhancing more than 65 parks, preserves, and historic sites that provide places for people to relax, enjoy recreation, and be inspired by the valley's natural beauty and heritage. Increasing funding for open space and land conservation will allow Scenic Hudson and our regional and statewide partners to continue conserving New York State land that matters most.

- **Conservation Partnership Program (CPP):** \$5 million (Governor proposed at \$3 million)
We join with the Land Trust Alliance in requesting that the CPP be increased to \$5 million in this year's budget. The CPP is a successful public-private partnership between DEC and the Land Trust Alliance. It offers competitive grants to New York land trusts to advance local land conservation for the climate, health, and economic benefits they provide. The CPP is a model of efficiency as appropriated dollars are awarded annually in coordination with DEC, delivering tangible outcomes for communities and directly advancing New York's Open Space Plan. With increased demand for open space, worsening climate change impacts, and growing awareness of the importance of locally led conservation in achieving conservation goals, it is critical to continue funding for this program within the EPF regardless of additional funds that are brought in from the Bond Act.

Parks Capital Funding

Scenic Hudson is grateful for last year's historic \$300 million allocation of capital funds for the New York State Parks system. Given the ongoing need for parks capital across the state, **we urge the legislature to include \$250 million for the Parks Capital Fund.** This trajectory of investment must be sustained — to address climate change through smart management of state parkland, site renewable energy to help state parks become carbon neutral, address the backlog of deferred maintenance, maintain the state's national leadership in connecting people to nature and outdoor recreation, and meet goals for diversity, equity, and inclusion.

Clean Water Infrastructure Act

Scenic Hudson joins with the New York Clean Water Coalition in asking for \$600 million for clean water infrastructure. New York communities need an estimated ~\$90 billion in funding to update water infrastructure, remove toxins from their drinking water, and address the impacts of climate change. Additionally, to meet the requirements of federal clean water regulations, communities will need increased funding to be able to comply with stricter standards and required infrastructure upgrades. A \$600 million investment in the Clean Water Infrastructure Act, with funding category allocations lined out in the budget, will enable New York State to tackle both longstanding and emerging threats to clean water in our state.

Climate and Flood Resiliency

Scenic Hudson is highly sensitive to sea level rise and storm events in the Hudson Valley and their impact on homes, communities, and the environment. In the Hudson Valley, over 9,000 acres of riverfront lands lie within the expanding reach of daily high tides, threatening both the most critical river habitats and approximately 3,600 households and 6,900 people. Accompanying shifts of flood-prone areas will put approximately 6,400 more households and 12,200 people at greater risk from damaging storm surges and floodwaters. **We acknowledge and support the Governor's proposed funding intended to mitigate damage from major flooding events, including**

- \$4 million for climate research, data collection and risk assessment;

- \$78 million for coastal resiliency projects;
- \$30 million increase in Green Resiliency Grants to support flood control infrastructure projects; and
- \$50 million to bolster the Resilient and Ready program, which will support low and moderate income homeowners with resiliency improvements and assist with repairs in the event of a catastrophic event.

Additional Considerations

Scenic Hudson supports the inclusion of language in the final NYS budget that addresses the following:

- **Real Property Tax Law Section 532**

Both Sojourner Truth State Park and Franny Reese State Park are owned by the Palisades Interstate Park Commission. Since the formation of these parks, the lands that they encompass have been removed from their respective communities' tax rolls. For the Town of Lloyd specifically, this host community has not received the tax benefits from the Franny Reese State Park property for over 15 years. Most other New York State Parks owned by the Palisades Interstate Park Commission fall under Real Property Tax Law (RPTL) 532, which requires specific lands owned by and/or used by NYS to pay local property taxes. Throughout history, there have been many amendments to RPTL 532 to include the lands owned by the Palisades Interstate Park Commission, so that the host communities receive property tax payments. Scenic Hudson supports amendments to RPTL 532 as part of the budget process that would add the current and future state park lands that are in the City of Kingston and the Town of Ulster (Sojourner Truth State Park) and the Town of Lloyd (Franny Reese State Park).

- **Mansion Tax Exemption for Nonprofit Organizations**

Scenic Hudson applauds the Governor for her proposal to exempt not-for-profit organizations from the 1% real estate transfer tax on residential real property over \$1 million, commonly referred to as the Mansion Tax. Scenic Hudson operates in the Hudson Valley region, and often conserves land within high property value areas. Due to this transfer tax exemption, it will cost us and our partner land trusts less to conserve important lands in our region and across the state, increasing our ability to fulfill our mission statements for the betterment of our communities. We encourage the Legislature to include this exemption in your one-house bills.

- **Modernizing the State Land Acquisition Process**

Scenic Hudson was encouraged when the Governor's State of the State message included a section called Make Open Space Accessible for All:

"Recognizing the need for streamlined processes, the Governor will also champion several key initiatives. These will include modernizing the use of title insurance to expedite land acquisitions, ... and reducing the financial hurdles faced by non-profit organizations in their land conservation efforts. These changes and investments will empower the state to more effectively protect our natural heritage for future generations."



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We respectfully request the Senate and Assembly work with the Governor to take this important step forward in modernizing the state land acquisition process as part of this year's budget, and urge priority attention to promoting the use of title insurance by the NYS Office of the Attorney General and the creation of a land acquisition grant program for the distribution of a portion of the Bond Act land protection proceeds.

Thank you for this opportunity to provide testimony. If you have questions about Scenic Hudson's positions or work, please contact me at cfraccarolli@scenichudson.org.