COMMITTEE CHAIRMAN ENVIRONMENTAL CONSERVATION

COMMITTEE ASSIGNMENTS

CITIES CULTURAL AFFAIRS, TOURISM. PARKS & RECREATION FINANCE HIGHER EDUCATION INFRASTRUCTURE AND CAPITAL INVESTMENTS INSURANCE LABOR VETERANS, HOMELAND

SECURITY & MILITARY AFFAIRS E-MAIL ADDRESS:

GRISANTI@NYSENATE.GOV

WEBSITE:

GRISANTI.NYSĒNATE.GOV

THE SENATE STATE OF NEW YORK



MARK GRISANTI

SENATOR, 60TH DISTRICT

February 24, 2014

ALBANY OFFICE: **ROOM 902** LEGISLATIVE OFFICE BUILDING ALBANY, NEW YORK 12247 PH: (518) 455-3240 FAX: (518) 426-6738

BUFFALO OFFICE: WALTER J. MAHONEY BUILDING 65 COURT STREET, ROOM 213 BUFFALO, NEW YORK 14202 PH: (716) 854-8705 FAX: (716) 854-3051

Honorable Dean G. Skelos Senate Republican Conference Leader 330 State Capitol Building Albany, New York 12247

Dear Senator Skelos and Senator Klein:

We write to express support for the Environmental Protection Fund (EPF) and urge that it be increased to \$200 million in the budget. The Executive Budget proposal increases the EPF appropriation by a modest \$4 million, from \$153 million to \$157 million, which was achieved through the budget agreement last year that included projected increases in revenue from amendments to the enforcement provisions of the state's existing Bottle Bill.

While implementing the agreement from last year is a good start, funding for the EPF must be restored at a faster rate if we are to address critical needs that exist for programs that provide every district in the state benefits including clean air and water, healthy communities, job creation and municipal services. A greater level of investment in the environment is appropriate and needed in this year's budget, as our economy continues to recover and revenue grows.

During the recent recession, the annual EPF appropriation was drastically reduced from \$255 million to \$134 million. This reduction negatively impacted programs that conserve our precious clean water; support our community parks and farm, forestry, recycling and tourism sectors; and empower our municipalities to become more resilient to storm impacts.

A 2012 study by the Trust for Public Land showed that for every \$1 invested in land and water conservation through the EPF, the state received \$7 in economic return. The EPF supports thousands of jobs in our state through its various programs across a broad spectrum of industries, from outdoor tourism and agriculture to drinking water protection for millions of New Yorkers. EPF supported industries generate approximately \$40 billion in revenue every year. With a 7 to 1 payoff for every dollar invested, a surplus in the state budget, and significant needs in communities from Brookhaven to Buffalo, now is the time to make additional progress and further enhance the EPF. We accordingly urge that the EPF appropriation grow to \$200 million in this state budget.

The primary dedicated source of revenue for the EPF is the state's existing Real Estate Transfer Tax (RETT). During the recent economic crisis, RETT revenue dropped from more than \$1 billion annually to less than \$400 million. As the economy recovers, however, projections indicate that so too will the RETT which is now generating more than \$800 million annually. Over the span of the FY 14-15 financial plan outlook, annual RETT revenue is projected to grow incrementally each year to more than \$1 billion a year. As the RETT recovers, so should investments in the EPF.

In the grand scheme of state spending, the EPF stands as an extraordinarily modest, yet extraordinarily important and effective, mechanism for providing direct benefits that cut to the core of community health and prosperity. With so many important EPF programs benefitting both upstate and downstate communities, we should use this moment to resume an appropriate level of environmental spending consistent with the state's financial recovery, and absolutely necessary to the state's environmental health.

We appreciate your consideration of this request.

Very truly yours,

Mark J. Grisanti

Senator, 60th District

Tony Avella

Senator, 11th District

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Joseph J. Addabbo Jr

Senator, 15 District

Philip M. Boyle Senator, 4th District

David Carlucci

Senator, 38th District

Adriano Espaillat Senator, 31st District Hugh T. Farley

Hugh T. Farley Senator, 49th District

VERRY SIDSON

Terry W. Gipson Senator 41st District

Brad Haylmun

Brad Hoylman Senator, 27th District

William J. Larkin, Jr Senator, 39th District

Elizabeth O'C. Little Senator, 45th District Patrick M. Gallivan Senator, 59th District

Martin J. Golden Senator, 22nd District

Timothy M. Kames

Timothy Kennedy Senator, 63rd District

George Latimer Senator, 37th District

Carl L. Marcellino Senator, 5th District

Kathy Marchione

Kathleen Marchione Senator, 43rd District

George D. Maziarz
Senator, 62nd District

Thomas F. O'Mara

Thomas F. O'Mara Senator, 58th District

Joseph E. Robach Senator, 56th District

Jones E. Sewarel

James L. Seward Senator, 51st District Ved Milk

Jack M. Martins Senator, 7th District

Mihat F. Nojjolio

Michael F. Nozzolio Senator, 54th District

Brisis A Bishis

Patricia A. Ritchie Senator, 48th District

Jose M. Serrano Senator, 29th District

Cecilia Tkaczyk Senator, 46th District Catharine M. Young Senator, 57th District

Lee Zeldin Senator, 3rd District

Cc: Senator John A. DeFrancisco Senator Joseph E. Robach Robert Mujica Steve Taylor Paul Midey