



For Immediate Release: 5/3/2023

GOVERNOR KATHY HOCHUL

**GOVERNOR HOCHUL ANNOUNCES FY 2024 BUDGET INVESTMENTS IN ENERGY AFFORDABILITY, SUSTAINABLE BUILDINGS, AND CLEAN ENERGY**

*Advancing Building Decarbonization with Zero Emission New Construction*

*\$400 Million Investment to Promote Energy Affordability*

*Advances Affordable Cap-and-Invest Program to Accelerate Climate Action and Create Jobs*

*New York Power Authority to Expand Renewable Generation Portfolio to Support State's Renewable Targets*

*\$400 Million Environmental Protection Fund, \$500 Million for Clean Water Infrastructure, and \$200 Million for State Parks*

Governor Kathy Hochul today announced investments in sustainable buildings, energy affordability, and clean energy development in the FY 2024 Budget. In one of the most extensive climate packages in recent history, the Budget makes transformative investments and includes groundbreaking legislation building on more than \$30 billion committed to climate action.

"New York is committed to building a clean economy and protecting our environment for future generations," **Governor Hochul said.** "This Budget shows an unprecedented commitment to green infrastructure, reducing emissions from the building sector, and protecting clean water. I thank my colleagues in the Legislature for their collaboration on a transformational Budget that represents one of the most ambitious packages our state has advanced as we continue the fight against climate change."

**Building Decarbonization**

In New York State, buildings account for more than 30 percent of state greenhouse gas emissions. The final adopted Budget makes New York the first state in the nation to advance comprehensive legislation for constructing modern zero-emission new homes and

buildings that will protect our families and our residents, while putting New York on trajectory to a cleaner, healthier future.

The Budget includes requirements for advancing zero emission construction in new buildings seven stories or lower, except large commercial and industrial buildings, by December 31, 2025, and all other new buildings by December 31, 2028. The Budget also requires exemptions such as emergency backup and standby power, manufacturing facilities, commercial food establishments, laboratories, car washes, laundromats, hospitals, crematoriums, agricultural buildings, and critical infrastructure.

Additionally, New York State is leading by example by calling on the New York Power Authority (NYPA) to complete decarbonization action plans for 15 of the highest emitting state facilities. The action plans will accelerate our progress towards a cleaner building sector, lead to the creation of high-quality jobs at future decarbonization projects, including thermal energy networks, and move the State closer to reaching our climate goals.

### **Investing in Affordable Energy**

As New Yorkers face rising costs, Governor Hochul has prioritized energy affordability as we transition to a clean energy future. The Budget includes \$400 million to provide relief to New Yorkers experiencing high electric bills as well as lower energy burdens through electrifications and retrofits.

\$200 million will provide relief to New Yorkers who are experiencing high electric bills. The Department of Public Service will provide a monthly discount to more than 800,000 electric utility customers who are making less than the state median income and have not been eligible for the State's utility discount program. \$200 million will also be allocated for NYSEERDA's EmPower Plus home retrofits program, which will help 20,000 low-income families retrofit their homes by adding insulation, installing energy efficient appliances, and switching to clean energy.

### **Cap-and-Invest**

The FY 2024 Budget advances Governor Hochul's priority to create an affordable, equitable and effective Cap-and-Invest program that accelerates climate action, creates high-quality jobs, and protects and invests in disadvantaged communities. The Budget creates the financial foundation required to support an economy-wide Cap-and-Invest program, which was endorsed by the Climate Action Council as the most environmentally effective and economically feasible way to reach New York's ambitious climate requirements established by the 2019 Climate Act.

Governor Hochul fought to secure the creation of the Consumer Climate Action Account, which ensures one-third of future proceeds will be provided to New Yorkers in a critical step toward protecting affordability. The Budget also creates a Climate Affordability Study process to provide recommendations on the most impactful use of funds to protect New Yorkers. In addition, the Budget establishes a new Climate Investment Account which will direct two-thirds of future proceeds to support the transition to a less carbon-intensive economy. The Climate Investment Account will support clean energy programs and

policies, emission reduction measures, and focus on disadvantaged communities, accompanied by strong labor standards to ensure the creation of high-quality jobs.

### **New York Power Authority to Build Renewables**

To reach the Climate Act goal of 100 percent zero-emission electricity by 2040, Governor Hochul is requiring an all-hands on deck approach to building clean energy. Governor Hochul and state agencies have already made bold steps to ensure the development of clean energy and transmission infrastructure. Notably, NYPA has supported the State in building transmission lines to bring clean, reliable energy to where it is needed most, including by partnering extensively with the private sector. Building on its success with transmission development, the Budget enables NYPA to expand its renewable portfolio by working on its own and with private sector renewable energy developers to build new renewable generation to support the State's clean energy goals and create high-quality jobs backed by strong labor standards, while reducing costs for consumers.

It also directs NYPA to provide a plan for the phase out of its "peaker" plants by 2030, to contribute up to \$25 million annually to the Department of Labor to support a Just Transition for energy workers, and to establish the "Renewable Energy Access and Community Help Program" (REACH), allowing customers in disadvantaged communities to benefit from renewables by receiving bill credits from renewable energy projects that are owned, developed, or contracted for by NYPA to support REACH.

### **Environmental Protection Fund**

In addition to investments from the landmark Environmental Bond Act passed by voters in 2022, the FY 2024 Budget includes \$400 million for the Environmental Protection Fund (EPF), sustaining this historic investment level from the FY 2023 Budget. The EPF supports climate change mitigation, protects water sources, advances conservation efforts, and provides recreational opportunities for New Yorkers.

### **Clean Water Funding**

The Budget includes \$500 million in clean water funding, bringing New York's total clean water infrastructure investment to \$5 billion since 2017.

### **Improving Water Infrastructure in Suffolk County**

Much of Suffolk County is burdened with failing septic systems and cesspools. The Budget authorizes Suffolk County to put a ballot referendum to the voters to implement a long-term plan to create a recurring funding source for wastewater infrastructure needs. This necessary investment in infrastructure will address water quality needs by incentivizing homeowners and businesses to upgrade failing or inadequate septic systems and providing an opportunity to invest in new sewer systems.

### **Office of Parks, Recreation and Historic Preservation**

The Budget commits \$200 million in capital funding to continue the ongoing transformation of New York's flagship parks, support critical infrastructure projects, and help make our

state Parks energy-independent and meet the goal of powering park facilities with renewable energy by 2030.

### **Investing in our Workforce to Implement the Environmental Bond Act**

The landmark Clean Water, Clean Air and Green Jobs Environmental Bond Act is the largest environmental bond in state history and the first in New York since 1996. The Bond Act will provide \$4.2 billion to support new and expanded programs across the state to protect drinking water sources, reduce pollution, and protect communities and natural resources from the impacts of climate change. To support the implementation of this historic initiative, the Budget includes 265 additional staff for state agencies.

###