



**TESTIMONY OF LAURA HAIGHT
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BEFORE THE NEW YORK STATE DIVISION OF THE BUDGET
IN PREPARATION FOR THE 2008-2009 BUDGET**

**UTICA, NEW YORK
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Good evening. My name is Laura Haight, and I am senior environmental associate with the New York Public Interest Research Group (NYPIRG). NYPIRG is New York's largest consumer and environmental advocacy organization, with 24 offices across the state and tens of thousands of supporters.

Thank you very much for this unprecedented opportunity to make recommendations to the Division of Budget (DOB) regarding the preparation of the 2008-2009 state budget. I will be focusing my comments tonight on the state's environmental budget priorities.

Bigger Better Bottle Bill

First, we want to thank Governor Spitzer for his leadership on the Bigger Better Bottle Bill and ask him to reintroduce it in next year's executive budget proposal. There is broad-based public support for this proposal. In a 2004 opinion poll, 86% of registered voters in New York supported transferring the unclaimed deposits from beverage distributors to the State to fund environmental programs. But the industry opponents to the bill are well-connected and well-financed. We have an active and diverse coalition that is prepared once again to mobilize public support for the Bigger Better Bottle Bill, and we hope that, in light of the expected revenue shortfall, the Governor will push even harder on this issue next year.

Furthermore, we believe that the revenue potential is much greater than the DOB estimates. Last year, DOB estimated that the unclaimed deposits from an expanded bottle bill would add up to \$100 million annually. An independent analysis by the Container Recycling Institute, however, puts that number more in the range of \$180 million to \$220 million. This would get us to our goal of a \$500 million Environmental Protection Fund by 2010.

The environmental benefits alone of the Bigger Better Bottle Bill will be significant – CRI estimates that more than 3 billion bottles and cans end up in the garbage or littering our roads,

and economic development. Failure to do so will incur an opportunity cost – land lost forever to development, waterways that cost more to clean up than to protect, and so forth.

Rather than make further painful cuts to vital programs, the state needs to aggressively pursue new sources of funding for environmental protection. The Bigger Better Bottle Bill is one example. Restructuring agency permit fees, as has been proposed in the past, would also generate new funds to support additional personnel to adequately administer the state's regulatory programs and protect our public health and the environment. We support creating or increasing the fees for a broad range of agency actions, such as Title V air permits, wetlands and other water permits, and nuclear waste storage fees.

Environmental Protection Fund

The State Environmental Protection Fund (EPF) is a critical source of funding for a myriad programs to benefit New York's environment. We are concerned that in a tight budget year, the Spitzer Administration might be tempted to follow in the Pataki Administration's footsteps and "sweep" funds from the EPF or seek to direct EPF funds for purposes not supported through the EPF. We urge you to resist such temptation and instead continue to gradually increase the EPF appropriations to \$300 million by 2009 as required under the EPF Enhancement Act. New York's environmental needs clearly outstrip available funding. At current EPF levels, it will take more than four years just to fund all the proposals currently on the waiting list for matching grants through the EPF municipal recycling program. That's why NYPIRG, as part of the Friends of New York's Environment coalition, is pushing for the expansion of the EPF to \$500 million by 2010. We believe that passage of the Bigger Better Bottle Bill, which would bring in over \$180 million a year in new revenue, will help get us to that level of funding.

Conclusion

We recognize that the state is likely to face significant fiscal shortfalls next year, and perhaps in years to come. We believe we have identified a number of new sources of revenue to help not only support, but increase, the state's commitment to protecting and restoring our environment and making it a safer and healthier place for our families to live. We hope that the Spitzer Administration will provide the necessary resources to build on its success this year in revitalizing the DEC and other key state agencies and programs. NYPIRG looks forward to working with the Spitzer Administration to advance these initiatives.

Thank you again for this opportunity to testify today.