



Dear Community,

Happy spring everyone! Even though it was both 70 degrees and sunny and 36 degrees and snowy this past weekend this chaotic weather is not hampering nature's reawakening heralded by the beautiful return of our favorite song birds! So you can fully enjoy all the sounds you are hearing check out the Cornell Lab of Ornithology's Bird ID Skills webpage to learn bird songs and calls or download the Cornell Lab of Ornithology Bird Call ID App onto your phone!

Given how much is happening in the budget and at the state level related to the environment and climate change, I have dedicated this newsletter to this topic through a series of articles I have written.

State Budget

Why the Governor has so much power over the New York State budget

In most states, the Governor proposes a budget and the Legislature has broad authority to revise it through back-and-forth negotiations. In New York, the Governor has notably more power than the Legislature throughout the negotiating process.

The Governor starts by sending a full budget plan to the Legislature in January. This plan can include entirely new programs that have fiscal impacts on the budget, and it can also include policy proposals that do not have any fiscal impacts.

But unlike in many other states, the Legislature cannot freely rewrite that plan or replace it with its own version. Instead, the Legislature has to work from the Governor's proposal and respond to it within a more limited framework:

- The Legislature can remove proposals from the Governor's budget plan or reduce funding for proposals, but we generally cannot change the detailed language within each individual proposal.
- The Governor can revise her budget plan for 30 days after submitting it to the Legislature, which allows changes while negotiations are already underway.
- After the Legislature passes a budget and sends it to the Governor, she can cross out individual items before signing it into law. This means the Legislature must either send a budget the Governor is prepared to accept or risk having parts of it removed without any further opportunity to negotiate.

This means the Governor is not just proposing a starting point, she is shaping the structure of the entire negotiation, and the Legislature is working within that framework.

What happens if the budget is late

If the budget is not passed on time, the state cannot legally spend money unless the Governor sends the Legislature short-term budget bills, often called "extenders." These extenders keep government running for a limited period of time. Once an extender is received by the Legislature, we can either vote it up or down, but we cannot amend it before voting. This means we either pass the extender as written or risk a government shutdown.

The Governor also decides what goes into each extender and how long each extender lasts, whether a few days, a week, or longer. In practice, this gives the Governor significant control over the timeline and pace of negotiations once the budget deadline passes. She can require frequent votes or stretch things out in ways that shape the direction of negotiations.

NEW YORK'S CLIMATE LEADERSHIP and COMMUNITY PROTECTION ACT



As of April 1, the state budget is officially late, and New York's climate law has emerged as a central point of contention in negotiations. The 2019 Climate Leadership and Community Protection Act (CLCPA) requires the state to reduce greenhouse gas emissions 40% below 1990 levels by 2030. Following passage of the law, state officials from the Department of Environmental Conservation and NYSERDA testified in budget hearings for several years that meaningful progress had been made toward these targets and that the state was on track to meet them.

A central component of the CLCPA Scoping Plan to meet these targets was a cap-and-invest program. In 2023, the Governor proposed a cap-and-invest program - over which she and her agencies had control of design - as part of her executive budget proposal. The program would require major greenhouse gas polluters to purchase allowances to emit, with a declining cap over time to drive emissions reductions, projected to raise between 3 and 5 billion dollars per year. One third of proceeds were designated for off-setting rising utility bill costs with rebates to low- and middle-income New Yorkers, benefiting as much as 85% of households state-wide. Remaining funds would go to support investments in clean energy infrastructure and create tens of thousands of good-paying jobs. The program was included in the final FY2024 budget in May of 2023. After releasing a program pre-proposal in 2023, the administration committed to release the draft program rules in January 2024, with implementation to follow, but those draft regulations have not yet been issued and no timeline for release has been provided.

In 2025, implementation of the all-electric buildings requirement was paused by the Governor in response to ongoing litigation and pressure from industry groups. Also in 2025, the Department of Environmental Conservation issued air permits for the Iroquois pipeline expansion, allowing the project to move forward. The Northeast Supply Enhancement (NESE) pipeline, which had previously been denied water quality permits multiple times, was approved in 2025. While the Build Public Renewables Act (BPRA), enacted through the FY2024 budget, authorized the New York Power Authority to develop renewable energy projects, no budget to date has included dedicated state

capital funding, which has limited the pace and scale of deployment. These decisions and delays are pushing the state further off track to meet its 2030 emissions reduction target.

In March 2025, several environmental and climate justice groups sued the state for failing to follow New York's climate law and issue the regulations needed to cut emissions, including the delayed draft rules for the cap-and-invest program. In October 2025, a New York State Supreme Court judge ruled in favor of environmental groups, finding the state had violated its climate law by failing to issue required regulations and ordering DEC to act by February 2026. [The state appealed the decision in November](#), triggering an automatic stay that paused the deadline. As a result, the case remains unresolved and the regulations, including cap-and-invest, have still not been finalized.

Although proposed changes weakening the climate law were not included in the January Executive Budget proposal or the 30-day amendments, [Governor Hochul has continued to press for them during budget negotiations](#). Through NYSERDA, the administration released [an administrative memo](#) projecting that a cap-and-invest program could significantly increase household costs, and has used that analysis to argue that changes to the climate law are needed on affordability grounds. [Critics have noted](#) that the memo was released without explaining any of the underlying assumptions or modeling, and that it significantly [departs from earlier state framing of cap-and-invest under the Scoping Plan](#), which emphasized consumer rebates and investments designed to offset costs and limit impacts on most households and promoted the creation of over 300,000 jobs. [Here is the Governor's 2023 press release](#) highlighting these cap-and-invest benefits.

The Governor is now proposing delaying the release of the cap-and-invest draft regulations to 2030, weakening the legal enforceability of the CLCPA's 2030 emissions reduction target and 2040 zero-emission electricity requirement, and shifting methane accounting to a 100-year timeframe, a change that would substantially reduce its apparent near-term impact. These proposed changes would likely undercut the basis of the ongoing lawsuit, which seeks to compel the state to issue the required regulations.

Claims that New York must roll back its climate law because energy prices are high are contrary to the facts. Today's high [gas, heating, and electricity costs are being driven by fossil-fuel volatility](#), including [expanded LNG exports](#) that tie U.S. gas prices more closely to global markets, and [rising oil prices linked to a conflict](#) initiated by Israel and escalated with direct U.S. military involvement. New York's continued dependence on gas is what leaves families exposed to these swings, a

reality [underscored by NYISO](#), which has found that recent electricity price increases were driven largely by rising natural gas costs. These [price pressures are expected to continue as federal policies expand fossil-fuel exports](#). Rolling back the CLCPA would dismantle our efforts to establish energy independence from the volatile global fuel prices driving up household costs.

If we are serious about reducing our dependence on volatile fossil fuels, we also have to be honest about their true climate impact. Earlier this month, I hosted [a briefing with Cornell climate scientist Dr. Robert Howarth](#) for my colleagues in the Assembly and Senate on how we measure methane's warming impact. Methane remains in the atmosphere for about 9 to 12 years, but while present, it is roughly 80 times more potent than carbon dioxide. New York currently uses a 20-year timeframe to reflect that near-term impact, which is critical for avoiding irreversible climate tipping points. Shifting to a 100-year timeframe would significantly downplay methane's impact and distort the urgency of cutting emissions. Dr. Howarth's presentation explains why we cannot afford to weaken our climate law by changing methane accounting.

[Here is a speech](#) I gave earlier this month at a climate rally with 1,000 New Yorkers in the New York State Capital highlighting the facts and why we shouldn't roll back our climate law.



Another major sticking point in the current budget negotiations is whether and how to streamline the State Environmental Quality Review Act (SEQRA) process for housing development.

SEQRA is a procedural law that plays an important role in ensuring transparency and accountability in government decisions about projects and policies that affect the environment. It requires agencies to identify environmental impacts, take what courts call a "hard look," consider alternatives, and provide a reasoned explanation for approving, modifying, or denying a construction project or other action. That process creates a public record that can be reviewed by

the courts. In many cases, the information required through SEQRA leads to better project design and more environmentally responsible outcomes.

At the same time, SEQRA is implemented by thousands of local boards and municipal governments across the state, including planning boards, zoning boards, and town and city agencies, all with different levels of staffing, expertise, and access to technical support. Each is responsible for applying the same legal standard, but in practice this leads to uneven results. In some communities, review is rigorous and grounded in technical analysis. In others, it can be limited, inconsistent, or shaped by local pressure.

SEQRA review, particularly when it requires a full Environmental Impact Statement, can also add significant time and cost to a project. In some cases, review and related litigation can extend timelines by years, increasing financing risk and making projects harder to complete. These challenges are especially acute for housing, particularly for affordable housing. In some cases, organized local opposition to new housing, including concerns about changes to “neighborhood character” or growth, can further slow projects through extended review and litigation, increasing costs to the point where a project is no longer financially viable or preventing it from moving forward altogether.

To address these challenges, Senator May and I introduced legislation ([S3492/A6283](#)) to streamline SEQRA specifically for affordable housing while maintaining strong environmental protections and preventing sprawl. Our bill creates a narrow pathway for certain housing developments to be classified as Type II actions under SEQRA, meaning they would not require a full Environmental Impact Statement. To qualify, projects must meet strict environmental criteria and be located in areas appropriate for development, including urbanized census tracts or comparable areas in smaller municipalities, to ensure that growth is directed where infrastructure already exists and sprawl is avoided.

The Governor included a version of this proposal in her Executive Budget, but removed key provisions. Her proposal omits the affordable housing focus, and instead applies to any residential or mixed use development. The language directing development to appropriate locations was weakened, reducing protections against sprawl, and several of the environmental criteria were scaled back. As a result, the proposal no longer provides a clear, parallel set of environmental

protections to those typically evaluated under SEQRA, which has raised concerns among environmental advocates.

The Senate one-house budget proposal includes a version closer to what we proposed in S3492/A6283, retaining most of the environmental and anti-sprawl criteria, while expanding eligibility beyond strictly affordable housing to include a broader range of housing types, since increasing overall housing supply at this scale is expected to improve affordability across the market.

Negotiations are ongoing, and the outcome will determine whether we move forward with a targeted approach that both accelerates housing development and maintains environmental protections, or adopt a version that risks undermining those safeguards.

State News



Wetlands Protections

[In 2022, New York strengthened its freshwater wetlands law to protect more wetlands across the state.](#) The law lowers the minimum size for a wetland to be protected from 12.4 acres to 7.4 acres starting January 1, 2028, and allows DEC to protect smaller wetlands of any size if they are especially important for flood control, water quality, or wildlife habitat. It also expands DEC's authority to require permits for development in and around these wetlands, and to approve, modify, or deny projects that would impact the integrity of those wetlands.

[Wetlands](#) are places where water sits on or just below the surface of the soil for part or all of the year, including marshes, swamps, and bogs. They act like natural infrastructure, absorbing and slowing stormwater to reduce flooding, filtering pollutants to improve water quality, and supporting a wide range of plant and animal life. Wetlands also help protect drinking water sources and store carbon, making them an important part of both our local ecosystems and our response to climate change.

In 2025, a [New York State Supreme Court judge set aside the DEC's regulations implementing this law](#) after they were challenged by business groups and property owners. The court found that DEC had not completed an adequate environmental review under the [State Environmental Quality Review Act \(SEQRA\)](#) before finalizing the [regulations defining wetlands of unusual importance](#). Specifically, the judge held that DEC did not take the required "hard look" at potential impacts, including how the regulations could affect land use and development patterns, and did not provide a sufficiently detailed explanation of its analysis. The ruling does not overturn the wetlands protection law itself, which remains in effect, but it does prevent the current regulations from being used until the State completes a more thorough review.

A more complete SEQRA review would include a clearer analysis of how the regulations could affect land use, development patterns, and related emissions. It should also explain how those impacts are weighed alongside the benefits of wetlands protection. Some of these impacts are not directly comparable. While emissions can be addressed through a range of statewide strategies, wetlands provide unique functions, including flood control, water filtration, and animal habitat, that cannot be replicated and are best protected by limiting development in these areas.

The State retains full authority to implement the law, but must complete a more comprehensive SEQRA review to support the regulations. With a stronger environmental record, the State can move forward with wetlands protections that are both legally durable and effective.

In good health,



Anna Kelles, Ph.D.

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