



## Capitol Connection – Week Ending September 23

### City

[City Council Passes Climate Change Legislation](#)

### State

[Cuomo Announces Initiative to Bring New Energy Efficient Technologies into the Marketplace](#)

[Senate Energy Chairman to Hold CHPE Hearing](#)

[Governor Announces Design Review Team for New Tappan Zee Bridge](#)

[State Tax Revenue Lesser Than Projected](#)

[S&P Raises Outlook on New York State](#)

### Federal

[House Passes Pro-Coal Legislation](#)

[House Republicans Support Tax Extenders](#)

[Legislation to Study New Fuel Economy Passes House](#)

[Energy Related Legislation](#)

[Republican Governor's Association Releases Energy "Blueprint"](#)

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### City

#### **City Council Passes Climate Change Legislation**

The New York City Council recently [passed legislation](#) that would make two panels advising the city on the threats of global warming a permanent fixture of government.

The bill, approved 44-0, will “institutionalize and regularly convene” both a panel of scientists known as the New York City Panel on Climate Change and a task force of government agencies and partners from the energy, telecommunications and other private sectors in charge of recommending how the city should adapt to more frequent storms and heat waves. Under current projections by the scientific panel, sea levels around New York will rise nearly five feet by the end of the century, posing an increased risk of major and more frequent coastal flooding.

The two panels, which receive no pay, were convened by Mayor Bloomberg [in 2008](#) to help fulfill the goals of his environmental agenda for the city, known as PlaNYC. James F. Gennaro, who chairs the council’s committee on environmental protection, said the legislation creates “an institutional government mechanism to assess the latest climate change science, plan for climate change impacts and implement adaptive strategies” and should serve as a model for other local and state governments.

The legislation broadens the responsibilities of the advisory bodies, including requiring the adaptation task force to create an inventory of potential risks to vulnerable populations like the elderly and low-income residents of industrial areas where flooding also raises the risk of toxic spills. It requires the scientific advisers to meet at least twice a year to review the latest climate change data and to update their projections every three years. The task force is then required to submit its recommendations a year after projections are released.

## State

### **Cuomo Announces Initiative to Bring New Energy Efficient Technologies into the Marketplace**

Governor Cuomo announced the launch of the Energy Efficiency Market Acceleration Program (EE-MAP). EE-MAP is a \$30m initiative, administered by NYPA, which will fund research, market development activities, and demonstration projects to help leverage investments and promote business development opportunities for emerging energy efficiency technologies.

To support EE-MAP, NYPA has teamed with the New York State Energy Research and Development Authority (NYSERDA) and the Electric Power Research Institute (EPRI) to catalog state-of-the-art energy efficiency products and services, identify commercial trends, as well as screen and track emerging technologies.

EE-MAP will also assist with developing Energy Efficiency Master Plan programs and efforts to create new energy efficiency markets in coordination with state agencies, authorities and electric utilities. The "Master Plan for Energy Efficiency in State Facilities" was announced in Governor Cuomo's 2012 State of the State address as an initiative to accelerate energy saving improvements at state facilities. The partnering of the two initiatives is intended to improve industry access to investments made at public facilities.

Press Release: <http://www.governor.ny.gov/press/09172012newenergyefficienttechnologies>

### **Senate Energy Chairman to Hold CHPE Hearing**

Senate Energy Chairman George Maziarz (R-Niagara) will hold a hearing today to consider and analyze the long-term base load energy generation and transmission needs of New York. Much of the hearing will focus on the proposed Champlain Hudson Power Express (CHPE) - a transmission line intended to bring up to 1,000 MW of hydro power from Canada to the New York metro area.

Senator Maziarz has been very public in his opposition to CHPE having previously held a press conference to publicly denounce its construction and introducing legislation which would prevent the project from moving forward. In addition, Senator Maziarz and several Republican State Senators wrote to Governor Cuomo criticizing the CHPE line arguing that it would damage New York's power industry by costing local jobs without generating cost savings to consumers.

Witnesses scheduled to testify are as follows: Somerset Power Plant; Somerset Town Supervisor; NRG; TDI; Transco; NYISO; IPPNY; Business Council; and IBEW. Updated information will be provided once the hearing is complete.

Hearing Info: <http://www.nysenate.gov/print/160296>

### **Governor Announces Design Review Team for New Tappan Zee Bridge**

Governor Cuomo's plan to rebuild the Tappan Zee Bridge continues to move forward. On Wednesday, the Governor announced the creation of three teams that will review proposed bridge designs, assist local community leaders, and provide expert advice throughout the process.

Three bidders are competing to construct the bridge, and a winning team is to be announced later this year. The design team will consider bridge design, toll price, future mass transit options and the impact on the region. They will then identify the best proposal and submit the recommendation to the Thruway Authority. The final formal decision will be made by the Thruway Authority, subject to the approval of its Board.

Another team was named to review the selection of the construction companies to build the bridge. Brandon Sall, a Westchester County resident and member of the state Thruway Authority, was named chairman of the selection team. Other members include Rockland County Executive Scott Vanderhoef and Westchester County Executive Robert Astorino.

The Governor also announced a group of technical experts and advisors who will support the process.

Press Release: <http://www.governor.ny.gov/press/09192012Tappan-Zee-Project>

### **State Tax Revenue Lesser Than Projected**

According to Comptroller Thomas DiNapoli, New York's tax receipts through August are \$147 million below projections, and \$204.3 million below collections for the same period last year. This includes a 1.2 percent decline in personal income taxes. DiNapoli stated that the state budget remains on relatively solid ground, but "weak revenue collections and slow economic growth" show a need for caution. Press Release: <http://www.osc.state.ny.us/press/releases/sept12/091912.htm>

To the same effect, Budget Director Robert Megna wrote a letter to agency commissioners this week stating that they should plan for zero growth in upcoming budget requests. Aside from previously promised increases in school aid and Medicaid, Megna warned agencies and localities to expect a flat 2013-14 budget. Letter: <http://www.scribd.com/doc/106265963/Call-Letter-1314>

According to a recent Rockefeller Institute study, New York's tax revenue in the 2<sup>nd</sup> quarter fell 2% from last year. Only four other states realized larger revenue decreases – California, Washington, Delaware and Michigan. This is in part due to a decrease in personal income tax revenue resulting from changes made to the millionaire's tax last December. Study Press Release: [http://www.rockinst.org/pdf/government\\_finance/state\\_revenue\\_report/Data%20Alert%209.19.12.pdf](http://www.rockinst.org/pdf/government_finance/state_revenue_report/Data%20Alert%209.19.12.pdf)

### **S&P Raises Outlook on New York State**

Standard & Poor's Ratings Services has raised the ratings outlook on New York State to positive from stable, citing the state's movement toward on time and structurally balanced budgets in the past two years. S&P states that a potential upgrade is possible if New York State continues this trend over the next two years.

S&P credit analysts said the decision was due in part to the state's "recent restraint in school aid and Medicaid expenditure growth" — areas that have been major cost drivers. The credit ratings company

also pointed to the recent establishment of a new pension tier for new employees that is intended to slow the growth of pension costs.

S&P has New York's general obligation debt at double-A, the third-highest rating, and its appropriation-secured debt rating at double-A-minus.

S&P also said it views as modest New York State's projected budget deficits for coming years. As an example, S&P noted the state had to close a \$3.5 billion budget gap as part of its fiscal 2013 budget adoption, compared with a projected \$14.9 billion deficit it had expected when it began closing its fiscal 2012 budget.

The outlook could return to stable if structurally balanced budgets "prove elusive" or the state's financial performance deteriorates, S&P said.

## Federal

*The House is in recess from September 24<sup>th</sup> – September 28<sup>th</sup>\*\**

### House Passes Pro-Coal Legislation

Last week the House passed the Republican backed bill "Stop the War on Coal Act," [H.R. 3409](#), by a vote of [233-175](#). The package of five coal-related bills, the "Coal Miner Employment and Domestic Energy Infrastructure Protection Act," would bar the EPA from completing a slew of regulations, including those limiting greenhouse gas emissions, considering coal ash to be a hazardous waste and a revision to a Bush-era mountaintop mine removal rule. The bill also adds new requirements for the agency to consider the economic outcome of all regulations.

Additionally, the minority staff of the Energy and Commerce Committee recently released a fact sheet on the effects of the Republican backed bill, "Stop the War on Coal Act" H.R. 3409. The fact sheet examines how the bill nullifies EPA regulations undercuts climate protections. ([fact sheet](#))

### House Republicans Support Tax Extenders

Below is a letter sent yesterday to Ways & Means Chairman Dave Camp and Select Revenue Measures Chairman Patrick Tiberi from a group of 50 House GOP freshmen supporting an extension of the lapsed and soon-to-expire tax extenders, including capital gains and dividends thresholds that maintain parity between the two at 15%.

The letter states that the members are "advocating for an appropriate and fiscally responsible transition period to prevent any negative economic impacts".

[Tax Extender Letter](#)

### Legislation to Study New Fuel Economy Passes House

The Kelly [amendment](#) to H.R. 3409 that would require a study of lost jobs, fatalities/injuries, and cost to the economy of the new fuel economy rules was adopted this week by a vote of 242-168 ([Vote #594](#)).

Rep. Lois Capps (D-CA) offered a motion to recommit that would have prohibited H.R. 3409 from overturning the 2017-2025 CAFE rules if doing so would result in consumers paying more for gasoline over the life of their car, a loss of jobs in the U.S. auto manufacturing industry, or a negative impact to the U.S. economy. The Capps Motion to recommit failed by a vote of 173-233 ([Vote #602](#)). The bill then passed on a vote of 233-175 ([Vote #603](#)).

### **Energy Related Legislation**

Bills that have been recently introduced in Congress and may be of interest.

[H.R. 6444](#) - A bill to amend the Clean Air Act to require the Administrator of the Environmental Protection Agency to establish a system for the certification of the validity of credits to be used for compliance with the renewable fuel program, and for other purposes; to the Committee on Energy and Commerce. Sponsor: Pete Olson (R-TX22)

§ [S. 3558](#) - A bill to amend the Federal Water Pollution Control Act to preserve the authority of each State to make determinations relating to the State's water quality standards, and for other purposes; to the Committee on Environment and Public Works. Sponsor Joe Manchin (D-WV)

§ [S. 3559](#) - A bill to direct the Administrator of the Environmental Protection Agency to change the Spill Prevention, Control, and Countermeasure rule with respect to certain farms; to the Committee on Environment and Public Works. Sponsor: Mark Pryor (D-AR)

§ [S. 3563](#). A bill to amend the Energy Policy Act of 2005 to modify the Pilot Project offices of the Federal Permit Streamlining Pilot Project; to the Committee on Energy and Natural Resources. Sponsor: John Hoeven (R-ND)

### **Republican Governor's Association Releases Energy "Blueprint"**

The Republican Governors Public Policy Committee (RGPPC), a division of the Republican Governors Association, released a policy document titled "[An Energy Blueprint for America: Policy Solutions for a New Energy Economy](#)." Addressing energy security, environmental cooperation, energy affordability, the plan outlines a series of energy policy proposals and recommendations.

Expanding domestic natural-gas and oil production tops the list of priorities in the plan. The plan outlines approving the Keystone XL pipeline, expanding off-shore drilling, developing more energy from Alaska and relaxing regulations for natural-gas drilling.

Citing natural gas as an "energy game-changer," the blueprint also outlines a series of specific recommendations for the resource. Among them, Republican governors urge the federal government to leave the regulation of natural gas production to the states which, to this point, have demonstrated effective and efficient oversight.