LOWER HUDSON EDUCATION COALITION
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MEMORANDUM OF SUPPORT

S.9617-A (Harckham) / A.10949-A (Levenberg)

The Lower Hudson Education Coalition (LHEC), on behalf of its member district the Hendrick Hudson Central School District, **strongly supports S.9617-A / A.10949-A**, legislation sponsored by Senator Pete Harckham and Assemblymember Dana Levenberg that would extend the Electric Generation Facility Cessation Mitigation Program from seven years to twelve years. This bill addresses a critical and time-sensitive gap in the State's response to the structural fiscal damage that follows the closure of a major electric generating facility, and it does so without requiring any new appropriation beyond the $140 million already committed to the program.

No school district in New York understands the necessity of this program more acutely than Hendrick Hudson. The cessation of operations at the Indian Point Energy Center fundamentally and permanently altered the fiscal foundation of the District. For decades, Indian Point was by far the largest taxpayer in the community, and the PILOT revenue it generated underwrote a substantial share of the District's educational program—supporting classroom instruction, special education services, facilities, transportation, and the full range of opportunities Hen Hud students rely on. When Indian Point closed, the District faced one of the most severe revenue contractions of any school district in the state, and the mitigation fund created by Chapter 20 of the Laws of 2015 has been the single most important state-level tool available to soften that transition for students, taxpayers, and the broader community.

The original seven-year structure of the program reflected an assumption that local government entities and school districts would be able to absorb the lost revenue through a combination of attrition, modest tax base growth, redevelopment of the closed facility's footprint, and gradual budget recalibration. In practice, that assumption has not held. Redevelopment of a former nuclear generating site is an extraordinarily complex, multi-decade process involving federal decommissioning timelines, environmental review, site remediation, and land-use planning that simply cannot be compressed into the same window in which mitigation funding sunsets. As a result, school districts and host municipalities are being asked to fully absorb a structural revenue loss long before any meaningful replacement of the tax base is achievable—a timing mismatch that falls hardest on classroom programs and on the residential property taxpayers who would otherwise be forced to backfill the gap.

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The legislation responds to that mismatch with a measured, fiscally responsible adjustment. The declining-percentage award schedule already built into the program—moving from eighty percent of lost revenue in year one down to twenty percent by year seven—is a sensible mechanism for phasing communities off of state assistance as they adjust. What the current statute does not contemplate is the reality that twenty percent of an enormous, sudden, and structural revenue loss remains a substantial and necessary cushion for many years beyond year seven. The bill appropriately preserves the twenty-percent floor for an additional five years, providing affected communities a more realistic runway to stabilize their finances without sacrificing programs or shifting the entire burden onto residential property taxpayers.

Critically, this extension does not require a new state appropriation. It operates entirely within the existing $140 million authorization already made to the fund. The legislation simply allows previously committed resources to be deployed over a timeframe that better matches the on-the-ground recovery needs of affected communities.

Further, this bill does not create a new program. It does not expand eligibility, increase award amounts, or weaken the program's targeting. It makes a single, commonsense adjustment to a successful, narrowly tailored, capped initiative—extending its window so that the State's investment can do the work it was designed to do. For Hendrick Hudson, and for any New York community that has been, or may yet be, affected by the closure of a major electric generating facility, this extension is essential to preserving educational quality, maintaining property tax stability, and giving local communities a fair opportunity to rebuild their tax base.

The Lower Hudson Education Coalition and the Hendrick Hudson Central School District **urge the Legislature to advance S.9617-A / A.10949-A.**