



## **S. 3026 (THOMPSON) A. 6785 (SWEENEY)**

### **Summary**

This bill would give the New York Environmental Protection and Oil Spill Compensation Fund (Oil Spill Fund) priority over most other liens on property where an oil spill has occurred and the owner is financially responsible for the cleanup.

### **Explanation**

The Oil Spill Fund pays for the clean-up and removal of oil spills. These cleanups are conducted under the oversight and technical assistance of the Department of Environmental Conservation.

Under existing law, environmental liens are sometimes placed on properties where an oil spill occurred if the owner of the property is a party responsible to the Oil Spill Fund for costs of cleanup. Based on the order in which the liens are recorded, environmental liens are often the very last to receive payment after the foreclosure of a property. In this circumstance, spill properties are often foreclosed and funds from the sale are inadequate to pay all debts.

The inability to collect from polluters has caused the Oil Spill Fund to routinely hover near zero, making it difficult to address many of the oil spill sites across the state. On a cash basis, per the New York State Comptroller's reports, at the end of State Fiscal Year 2008-2009, the Oil Spill Fund carried a negative balance of \$3.2 million.

This legislation would move up the priority of environmental liens and better allow for the recovery of state costs from polluters. This bill was introduced at the request of the Office of the State Comptroller.

**Environmental Advocates of New York supports this bill.**

**Memo 38**