

STOP CLIMATE POLLUTER HANDOUTS ACT

S.3389/A.7949 (Krueger/Simon)

Science shows that **greenhouse gas (GHG) emissions from fossil fuels drive the climate crisis and pollute communities; meanwhile that industry reaps unprecedented profits** (1). In the past year, global temperatures have broken records, yet so have profits among the West's largest privately held oil companies (2).

New York financially incentivizes destructive fossil fuels, exempting the industry from \$1.6 billion of Sales & Use Tax and Petroleum Business Tax every year. This tax was first introduced for infrastructure funding in 1983, but since then the industry has wielded its influence to maintain these tax breaks and inflate profits. With our state now facing a multi-billion dollar budget deficit, it is time to rethink these handouts. Repealing fossil fuel industry tax subsidies will help close the budget gap and signal our opposition to the industry that is a lynchpin in the climate crisis and aggravates environmental injustices.

The Stop Climate Polluter Handouts Act amends the tax code to remove over \$330 million in tax handouts to the climate polluting fossil fuel industry. It pinpoints incentives that benefit the highest-polluting fuels and their most unreasonable uses, including high-emission commercial airline fuel and low-grade shipping "bunker" fuel, the operation of fracked gas infrastructure, industry research and development, and more. The Act preserves tax breaks that benefit the public, so **the average lower and middle income New Yorker will not be significantly impacted, and job losses are not expected.**

WHY STOP GIVING TAX BREAKS TO CLIMATE POLLUTERS?

1. To Stop Incentivizing Fossil Fuels

Tax breaks should go to businesses offering clear public benefits, not to the wealthiest industry that causes mounting harm. Yet global fossil fuel subsidies have surged to \$7 trillion annually, far higher than those given to clean energy (3). **In so doing, we give climate polluters the green light to keep up destructive business-as-usual activity.**

2. To Stop Inflating Industry Profits

Fossil fuels are the most profitable industry in history, raking in \$3 billion a day with profits that doubled from 2021 to 2022 (4). **We should not use taxpayer money to further inflate industry profits.**

3. To Reach CLCPA Climate Goals

Fossil fuel tax handouts are an outdated fiscal incentive, are misaligned with the CLCPA, and jeopardize our ability to reach legally mandated targets: a 100% renewable power sector and a 40% reduction in GHG emissions by 2040. **To achieve CLCPA goals we must stop relying on fossil fuels; a key step is to stop subsidizing them.**

4. To Protect People & Communities

Intensifying heat waves, floods, and storms already wreak havoc across the state, with disproportionate impacts on low-income areas and communities of color. **We must stop incentivizing the polluters that exacerbate environmental injustices across New York State.**

5. To Close the Budget Gap

Repealing these handouts will help close our state's multi-billion dollar budget deficit. **The Stop Climate Polluter Handouts Act would raise over \$330 million in annual revenue.**

6. To Avoid a Double Cost to Taxpayers

In the past year, NYS taxpayers paid \$2.7 billion for climate damage repair and resilience; it's expected to cost hundreds of billions more over the next few decades (5). **Taxpayers will pay to clean up and prepare for climate impacts. We should not be simultaneously funding that destruction.**

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Climate policy is popular with NY voters, who supported the 2022 Bond Act and Environmental Bill of Rights in large numbers (6). Voters nationwide support ending fossil fuel subsidies by a 24-point margin (7). The Stop Climate Polluter Handouts Act is also part of the 2024 Climate Can't Wait bill package.

The 150 organizations below support S.3389/A.7949.

Climate, Environment, & Sustainability

350Brooklyn
350NJ-Rockland
350NYC
All Our Energy
Alliance for a Green Economy
Beacon Climate Action Now
Big Reuse
Bronx River - Sound Shore
Audubon Society
Build a Better Planet
Campaign for Renewable Energy
Citizens' Climate Lobby - NY
Greater Capital Region Ch.
Clean Air Coalition of Greater
Ravena-Coeymans
Clean Air Coalition Western NY
Clean & Healthy NY
Climate Families NYC
Climate Reality Project - Finger
Lakes Greater Region
Climate Reality Project - NY
Chapters Coalition
Climate Reality Project - Capital
Region, NY Chapter
Climate Reality Project - Long
Island Chapter
Climate Reality Project - Western
NY Chapter
Climate Reality Project -
Westchester County Chapter
Climate Reality Project NYC
ClimateMama
Coalition Against the Rockaway
Pipeline
Coalition to Protect NY
Communities for Local Power
Community Advocates for a
Sustainable Environment
Divest NY
Dryden Resource Awareness
Coalition
Earthkeeper Health Resources
Elmirans and Friends Against
Fracking
Environmental Advocates NY
Extinction Rebellion Mid-Hudson
Fellowship of the Sacred Earth
Food & Water Watch
Fossil Free Tompkins
FrackBustersNY
Gas Free Seneca

Green Education & Legal Fund
Green Ossining
Hudson River Sloop Clearwater
Mothers Out Front – Tompkins
Nassau Hiking & Outdoor Club
Natural Resources Defense
Council (NRDC)
NY Climate Action Group
NY Climate Advocacy Project
NY Public Interest Research
Group (NYPIRG)
NY Renews
New Yorkers for Clean Power
North American Climate,
Conservation & Environment
North Shore Audubon Society
Northern Catskills Audubon
Society, Inc.
Nuclear Information and
Resource Service
People of Albany United for Safe
Energy
People for a Healthy
Environment
People's Climate Movement - NY
Protecting Our Waters
Sane Energy Project
Seatuck Environmental Ass'n
Seneca Lake Guardian
Sheridan Hollow Alliance for
Renewable Energy (SHARE)
South Shore Audubon Society
Stand.earth
Stop Cricket Valley Energy
Stop NY Fracked Gas Pipeline
Stop the Algonquin Pipeline
Expansion
Sustainable Finger Lakes
Sustainable Warwick
TIAA-Divest! from Climate
Destruction
Tompkins County Climate
Protection Initiative
Upper Green Side
Western NY Drilling Defense
Zero Waste NYC Workshop

Industry

NE Organic Farming Assoc. NY
NY Geothermal Energy Org.
Roctricity LLC

Youth-Led Climate Advocates

New York Youth Climate Leaders
Sunrise NYC
Sunrise Westchester

Social & Environmental Justice

Bronx Climate Justice North
Center for Independence of the
Disabled, New York
Indivisible Harlem
North Bronx Racial Justice
North Star Fund
RootsAction.org
South Bronx Unite
Veterans for Climate Justice
WE ACT for Environmental Justice
WESPAC Foundation, Inc.

Political Advocacy

Broome Tioga Green Party
Empire State Indivisible
Erie County Green Party
For the Many
Green Party of New York
Long Island Progressive Coalition
NY Progressive Action Network
NYPAN Greene
NYCD16 Indivisible
Occupyradio
Progressive Schenectady
Putnam Progressives
Saratoga-Warren-Washington
Progressive Action
Target Majority NYC

Civic & Citizens' Action Groups

Bethlehem Morning Voice Huddle
Citizen Action of NY
Coalition for Outreach, Policy and
Coordination
Residents Allied for the Future of
Tioga (RAFT)
Sixth Street Community Center
Third Act NYC
Third Act Upstate New York

Science & Research

Coastal Research and Education
Society of Long Island
HabitatMap

Faith-Based & Religious Groups

Albany UU Green Sanctuary Team
Beloved Earth Community (of The
Riverside Church, NYC)
Bronx Jews for Climate Action
Capital Region Interfaith Creation
Care Coalition
Church Women United in NYS
Congregation Beth Shalom
Creation Collaborative of
American Baptist Churches of
the Rochester/Genesee Region
Environmental Justice Ministry of
First Unitarian of Rochester
Jewish Climate Action Network NY
Metro NY Catholic Climate
Movement
New Paltz Interfaith Earth Action
NYS Council of Churches
Rivers and Mountains GreenFaith
Riverside Salem UCC/DoC
Sisters of Charity Federation
Sisters of Charity of New York
Sisters of St. Dominic of Blauvelt
Sisters of St. Joseph
UU Congregation of Binghamton,
Green Sanctuary

Public Health

Concerned Health Professionals of
NY
Physicians for Social
Responsibility - NY
United for Action

Universities & Education

Adelphi U. Environmental Action
Coalition
Deignan Institute for Earth and
Spirit at Iona U.
George Brown College
Sustainability Team
Grassroots Enviro. Education
South Asian Fund For Education
Scholarship and Training Inc.
SUNY New Paltz Enviro. Task
Force
Thomas Berry Forum for
Ecological Dialogue at Iona U.

References: (1) [US EPA](#), 2023; (2) [NYPIRG](#), 2023; (3) [International Monetary Fund](#), 2023; (4) [The Guardian](#), 2022; (5) [NYPIRG](#), 2023; (6) [NY.gov](#), 2022; (7) [Data for Progress](#), 2021