



Memorandum of Support

Stop Climate Polluter Handouts Act

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

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The Stop Climate Polluter Handouts Act would repeal certain fossil fuel-related tax expenditures, credits, breaks, and other advantages, and would limit fossil fuel-related companies from participating in certain economic development programs.

While greenhouse gas emissions from the fossil fuel industry warm the planet and pollute communities, oil companies reap enormous profits – all while collecting financial support from government subsidies. New York State provides oil and gas companies with over \$1.6 billion in tax handouts every year, distributed in the form of tax breaks, credits, subsidies, and refunds that support all stages of the oil and gas industry, from fuel production to transportation to storage. With the climate crisis, fueled by these companies, threatening our communities and with New York State facing a multi-billion dollar budget gap this year, continuing to provide these subsidies is unjustifiable.

It's time we stop using taxpayer money to destroy the world. The Stop Climate Polluter Handouts Act eliminates the taxpayer-funded handouts that prop up the most egregious parts of the fossil fuel industry, raising over \$330 million each year for New York State. The Act makes polluters pay their fair share of taxes, and it stops New York's practice of incentivizing pollution and inflating the profits of a multi-billion dollar industry. The fossil fuel industry made a record-breaking [\\$215 billion](#) in profits last year, with several of its biggest players (ExxonMobil, Shell, BP) more than doubling their profits.

Some tax handouts that the Act eliminates include incentives for research and development within the fossil fuel industry (\$89 million); the use of highly polluting airline fuel (\$117 million), commercial shipping "bunker" fuel (\$11 million), and liquid petroleum gasses (\$65 million); the operation of fracked gas infrastructure (\$4 million); and more. The Act also limits fossil fuel-related business



participation in certain economic development programs. **Importantly, the bill maintains the tax breaks that benefit low- and mid-income earners and small farmers.**

This Act takes critical action to protect the climate, while generating over \$330 million in revenue that will help close the budget gap and that can be spent on far more important public priorities. The Act aligns tax policy and state spending with the nation-leading climate goals set by the 2019 Climate Leadership and Community Protection Act, which requires a 40% reduction in greenhouse gas emissions by 2030, an 85% reduction by 2050, a 70% clean energy electricity sector by 2030, and a 100% clean energy sector by 2040.

The Northeast Organic Farming Association of New York (NOFA-NY) strongly supports this legislation.

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Founded in 1983, the Northeast Organic Farming Association of New York (NOFA-NY) is the premier statewide organization growing a strong, regenerative organic agriculture movement in New York State and is part of a regional network of seven Northeast Organic Farming Associations. NOFA-NY provides education and assistance to local organic and regenerative farmers; connects consumers with organic and regenerative farmers; advocates policies that support a sustainable and fair food and farm system at both the state and federal levels; and is the largest USDA-accredited organic certifier in New York, certifying over 1,000 organic operations in the state.
