

Stop Climate Polluter Handouts Act

S.3389 (Krueger/Kelles)

Background

The climate crisis – caused primarily by fossil fuel pollution – is the greatest threat the world has ever seen. Greenhouse gas emissions from the fossil fuel industry warm the planet and pollute communities while oil companies reap such enormous profits that they are now the most profitable industry in history. Shockingly, **New York State currently supports the fossil fuel industry with over \$1.6 billion in handouts every year.** That's \$1.6 billion of taxpayer money wasted on supporting Big Oil (companies like Exxon, BP, and Chevron). **It's time we stop using taxpayer money to destroy the world.**

The Stop Climate Polluter Handouts Act

The Stop Climate Polluter Handouts Act eliminates the tax handouts that prop up the most egregious parts of the fossil fuel industry. It pinpoints and eliminates the worst handouts to polluters: incentives that support research and development within the fossil fuel industry, the use of highly polluting airline fuel and commercial shipping "bunker" fuel, and the operation of fracked gas infrastructure, among many others. The bill does not touch the tax breaks that benefit low- and mid-income earners.

In total, **the bill raises \$330 million for the state by making polluters pay their fair share of taxes,** and it stops New York's practice of incentivizing pollution and bailing out a multi-billion dollar industry.

To Protect the Climate

We must stop incentivizing climate destruction. New Yorkers already experience the effects of climate change: heat waves, floods, and intense storms wreak havoc on our communities. By offering tax handouts, we effectively use taxpayer money to pay companies to put New Yorkers' lives at risk.

This bill aligns our state spending with the CLCPA climate goals to which NY has already committed. The nation leading 2019 Climate Leadership and Community Protection Act (CLCPA) sets ambitious targets

emissions, which can only be reached by ending our reliance on fossil fuels. **industries levels the playing field for**

Why Stop Polluter Handouts? To Stop Supporting Big Oil

Oil company profits have seen massive increases in the last year, more than doubling between 2021 and 2022 and totaling in the hundreds of billions of dollars. It's only fair that any company – but especially those with record-breaking

profits – pay their fair share of taxes. **We should not waste hard-earned taxpayer money to add to Big Oil's**

for reducing **already-inflated profits.**

Tax incentives should be reserved for companies providing a public good. But right now, fossil fuels

receive nearly six times the subsidies that clean energy receives. **Ending subsidies for polluting priorities.**

To Raise Money for NY

The Stop Climate Polluter Handouts Act diverts money from funding climate destruction to funding critical public priorities. The bill would raise over \$330 million in revenue for the state, and does not

mandate how the funds should be used – so lawmakers can decide how to use it on important public

sustainable solutions by removing Big Oil's advantage.

Stopping Polluter Handouts Has Widespread Support

Stopping polluter handouts is a central tenet in the New York State environmental movement. The bill is part of New York Renews' Climate, Jobs, and Justice bill package and the Climate Can't Wait bill package. Over 100 environmental, public health,

faith-based, community, and civic organizations across the state have signed onto our coalition letter in support of this bill.

Environmental- and climate-friendly policies are popular with New York voters, who supported this year's Bond Act and last year's Environmental Bill of Rights in large numbers. Studies show that voters support eliminating tax subsidies and financial incentives for fossil fuels by a 24-percentage point margin (1). In New York, 82% of voters support funding more research into renewable energy and 73% support imposing a carbon tax on fossil fuel companies – higher rates than the national average (2). (1)

[Data for Progress](#), 2021 (2) [Yale Climate Opinion Maps](#), 2021