

November 22, 2021

Honorable Kathy Hochul
Governor of New York State
Executive Chamber
New York State Capitol
Albany, New York 12224

Re: Eliminating Fossil Fuel Subsidies

Dear Governor Hochul:

Thank you for your many bold, decisive actions in leading New York toward a carbon-free future. The undersigned organizations are writing to urge you to continue your ambitious climate agenda by eliminating over \$330 million in nonessential subsidies to the fossil fuel industry in your executive budget.

The Fossil Fuel Subsidy Elimination Act (S.7438, Krueger/A.8483, Cahill) signals—both symbolically and literally—New York State’s opposition to fossil fuel development and its support for a climate-healthy future. The Act would eliminate many of the most egregious fossil fuel subsidies from the NYS Tax Code. For example, it would:

- End \$118 million in Sales and Use Tax exemptions for airline fuels;
- Halt \$89 million in Sales and Use Tax exemptions for fossil fuels used in research and development and production of tangible personal property in the fossil fuel industry;
- Abolish \$65 million in Petroleum Business Tax exemptions for liquid petroleum gases such as butane, ethane (used in making plastics), and propane; and
- Stop \$4 million in Sales and Use Tax exemptions for operating fracked gas infrastructure.

In addition, this bill would limit tax subsidies to fossil fuel-related businesses as part of several economic development programs, specifically the Excelsior Jobs Program, START-UP NY, Investment Tax Credit, Brownfield Redevelopment Tax Credit, Rehabilitation of Historic Properties Tax Credit, qualified emerging technology tax credits, and special tax benefits for qualified New York manufacturers.

Importantly, the bill preserves tax exemptions that help the public, including a home-heating credit that benefits low- to moderate-income households, as well as an agricultural exemption that helps small- to mid-sized farmers.

The fossil fuel industry has brought the world to the precipice of environmental disaster, externalizing the costs of their damage while also being granted government subsidies. It is time for this destructive practice to end. Tax exemptions should be reserved for businesses that provide clear public benefits, and should not be provided to the world’s wealthiest industry that has caused immeasurable harm.

Ending fossil fuel subsidies has widespread popular support. What’s more, it aligns our state’s tax code with our nation-leading Climate Leadership and Community Protection Act, putting New York on track toward a sustainable future. We urge you to support the Fossil Fuel Subsidy Elimination Act and put an end to over \$330 million in tax exemptions to the fossil fuel industry.

We look forward to working with you this budget season.

SUPPORTING ORGANIZATIONS:

350Brooklyn
350NJ-Rockland
350NYC
4 Live Oak Coalition
All Our Energy
Alliance for a Green Economy
Beloved Earth Community of The Riverside Church
Bethlehem Morning Voice Huddle
Beyond Plastics
Big Reuse
Building Performance Contractors Association of NYS, Inc. (BPCA-NYS, Inc.)
Bronx Climate Justice North
Bronx Jews for Climate Action
Bronx River-Sound Shore Audubon Society
Broome-Tioga Green Party
Campaign for Renewable Energy
Center for Community Transportation
Central Westchester Audubon Society
Chemung County Mothers Out Front
Chemung Valley Audubon Society
Church Women United in New York State
Citizens' Environmental Coalition
Clean Air Coalition of Greater Ravena-Coeymans
Climate Reality Project, Capital Region Chapter
Climate Solutions Accelerator of the Genesee-Finger Lakes Region
ClimateMama
Coalition for Outreach, Policy & Education
Coalition to Protect New York
Coastal Research & Education Society of Long Island, Inc.
Color Penfield Green
Committee to Preserve the Finger Lakes
Community Advocates for a Sustainable Environment
Concerned Citizens of Lansing
Concerned Health Professionals of New York
Daughters of Wisdom
Deignan Institute for Earth and Spirit
Delaware-Otsego Audubon Society
Divest NY
Dryden Resource Awareness Coalition
Earthjustice
Earthkeeper Health Resources
Elmirans and Friends Against Fracking
Empire State Indivisible
Enfield Neighbors for Safe Air and Water
Environmental Action Coalition
Environmental Justice Task Force of the Western NY Peace Center
Green Party of Erie County
Extinction Rebellion New Paltz
Fifth Avenue Committee

Food & Water Watch
Foodscraps360.com, LLC
For the Many
Fossil Free Tompkins
Four Harbors Audubon Society
FrackBustersNY
Fred F. French Investing LLC
Gas Free Seneca
Green Education and Legal Fund
Green Ossining
Green Party of Nassau County
Green Party of New York
HabitatMap
Harlem Climate Caucus
HealthyPlanet, Inc.
Hudson River Audubon Society
Hudson River Sloop Clearwater
Hudson Valley Green Party
Insight Counseling Ithaca
Ithaca Carbon Neutrality
Little Lakes Sustainability Network
Long Island Progressive Coalition
Metro N.Y. Catholic Climate Movement
Mothers Out Front
Mothers Out Front Dutchess County
Mothers Out Front Tompkins County
Nassau Hiking & Outdoor Club
Natural Resources Defense Council
New Paltz Climate Action Coalition
New Paltz Interfaith Earth Action
New York Climate Action Group
New York Public Interest Research Group (NYPIRG)
New York State Council of Churches
New York Youth Climate Leaders
New Yorkers for Clean Power
Newtown Creek Alliance
North American Climate, Conservation and Environment (NACCE)
North Bronx Racial Justice
North Fork Environmental Council
North Shore Audubon Society
North Star Fund
Northeast Organic Farming Association of New York
Northern Catskills Audubon Society
Northern New York Audubon Society
NY Geothermal Energy Organization (NY-GEO)
New York City Audubon Society
NYCD16 Indivisible
Onondaga Audubon Society
Otsego 2000, Inc.
People of Albany United for Safe Energy (PAUSE)
Peace Action New York State

Peacemakers of Schoharie County
People for a Healthy Environment
Peoples Climate Movement - New York
Protecting Our Waters
Queens Climate Project
Reach Out America
Reinvent Albany
Renewable Energy Long Island
Residents Allied for the Future of Tioga (RAFT)
ReWild Long Island
Riverside Salem United Church of Christ & Disciples of Christ
Rockland Goes Green
Roctricity
RootsAction.org
Sacred River Healing
Sane Energy Project
Sanford-Oquaga Area Concerned Citizens (S-OACC)
Science Museum of Long Island
Seatuck Environmental Association
Seneca Lake Guardian
Sheridan Hollow Alliance for Renewable Energy (SHARE)
Sierra Club Atlantic Chapter
Sisters of Charity Federation
Sisters of Charity of New York
Sisters of St. Dominic of Blauvelt, New York
Sisters of St. Joseph
Sixth Street Community Center
Social Justice Council
Solarize Albany
South Asian Fund For Education Scholarship and Training Inc.
South Bronx Unite
South Shore Audubon Society
Southern Adirondack Audubon Society
Stand.earth
Stephanie Low Artists Inc.
Stop NY Fracked Gas Pipeline
Stop the Algonquin Pipeline Expansion (SAPE)
StopCricketValley.org
Sunrise NYC
Sunrise Westchester
Sustainable Tompkins
Sustainable Warwick
Syracuse Peace Council
The Human Resource Institute for Victim Empowerment (THRIVE)
The Climate Museum
The Park Church in Elmira
Thomas Berry Forum for Ecological Dialogue at Iona College
Tompkins County Climate Protection Initiative
Town of Kirkland Democratic Committee
Transition Town Port Washington
UFA

Ulster Activists
Unitarian Universalist Congregation of Binghamton, Green Sanctuary
Upper Green Side
Village Independent Democrats
Vote Solar
Westchester People's Action Coalition (WESPAC) Foundation, Inc.
Westchester for Change
With These Hands
Women Against War

CC:

Honorable Andrea Stewart-Cousins, New York State Senate Majority Leader
Honorable Carl Heastie, New York State Assembly Speaker
Basil Seggos, Commissioner, New York State Department of Environmental Conservation