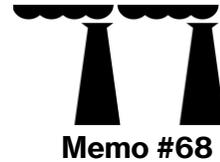




EANY OPPOSES Reviving Expired Biofuel Subsidies



[S.3217-A \(Parker\)](#)

[No Same-as](#)

Explanation:

The legislation revives tax subsidies for ethanol and biodiesel producers that have been closed since the end of 2019, extending them through 2025. The bill also expands and enriches the subsidies to cover biomethane production facilities, seeking to reanimate a market for combustible biofuels at a time when the Climate Leadership and Community Protection Act (“CLCPA”) has set New York on a path to fully electrify our building and transportation sectors.

Biofuels may be just as, if not more, carbon intensive than petroleum derived fuels due to upstream emissions. Emissions analyses of biofuel combustion often do not consider the full lifecycle of emissions from production of the crops and materials that make up the fuels. Biofuels derived from unsustainable monoculture farming involve carbon-intensive practices for irrigation, transportation of materials, and on-site fuel use for machinery. These practices also cause deforestation in a time when the planet’s remaining forests should be seen as a critical asset in combating climate change. They also lead to soil degradation and may increase food insecurity as available land for agriculture becomes threatened by climate change. Biomethane is interchangeable with natural gas, utilizing the same networks of pipelines and distribution systems, perpetuating our reliance on an increasingly leaky aging infrastructure that should be phased out as New York electrifies buildings and transportation. Once biomethane is produced and injected into a natural gas pipeline, its environmental risks parallel those of natural gas.

The CLCPA set an end date for the combustion of fuels in New York State. This bill sets up an artificial market for the production new biofuels when the demand for such fuels is headed in the opposite direction. It is no coincidence the legislature allowed these biofuel subsidies to expire the same year they passed the CLCPA.

Summary:

This legislation amends the tax law to extend biofuel production credits, that had been available to ethanol and biodiesel facilities in operation before January 1st, 2020, through 2025. It further amends the tax law to make biomethane producers eligible for the tax credits.