

STATE OF NEW YORK

1343

2025-2026 Regular Sessions

IN SENATE

January 9, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, in relation to establishing the "clean fuel standard of 2025"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Legislative findings and declarations:

2 1. The transportation sector in New York is a leading source of crite-
3 ria pollutants and the leading source of greenhouse gas emissions that
4 endanger public health and welfare by causing and contributing to
5 increased air pollution and dangerous climate change. Meeting the
6 pollution reduction requirements of the Climate Leadership and Community
7 Protection Act will require sharp decreases in transportation-related
8 emissions.

9 2. Shifting from today's petroleum-based transportation fuels to
10 alternative fuels has the potential to significantly reduce transporta-
11 tion emissions of air pollutants and greenhouse gases and is recommended
12 by the Intergovernmental Panel on Climate Change as an important pathway
13 for holding global warming to 1.5 degrees Celsius.

14 3. The Climate Leadership and Community Protection Act directs the
15 Department of Environmental Protection to promulgate regulations that
16 will reduce greenhouse gas emissions, including from on-road vehicles.

17 4. New York signed a 15-state MOU to develop an action plan to reduce
18 toxic diesel emissions from medium and heavy-duty vehicles by 2050.

19 5. A clean fuels standard regulation would promote innovation
20 production and use of non-petroleum fuels that reduce vehicle and fuel-
21 related air pollution that endangers public health and welfare and
22 disproportionately impacts disadvantaged communities.

23 § 2. Short title. This act may be known and may be cited as the "clean
24 fuel standard of 2025".

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 § 3. The environmental conservation law is amended by adding a new
2 section 19-0333 to read as follows:

3 § 19-0333. Clean fuel standard.

4 1. A clean fuel standard is hereby established. The clean fuel stand-
5 ard is intended to reduce greenhouse gas intensity from the on-road
6 transportation sector by twenty percent by two thousand thirty-two. In
7 advance of two thousand thirty-two and every five years thereafter, the
8 department shall promulgate regulations determining the minimum addi-
9 tional greenhouse gas intensity reduction to be achieved over the
10 following five years, with further reductions to be implemented based
11 upon advances in technology and to support achieving the requirements of
12 the New York state climate leadership and community protection act and
13 the goals of the scoping plan established pursuant to section 75-0103 of
14 this chapter, as determined by the commissioner. Fuels which provide
15 net human health benefits through overall air quality improvements rela-
16 tive to diesel and gasoline usage shall be eligible. Aviation fuels
17 shall be exempted from the clean fuel standard due to federal
18 preemption, but sustainable aviation fuel shall be eligible to generate
19 credits on an opt-in basis to help encourage development of a viable
20 sustainable aviation fuel market.

21 2. The clean fuel standard shall apply to all providers of transporta-
22 tion fuels, including electricity, in New York, shall be measured on a
23 full fuels lifecycle basis and may be met through market-based methods
24 by which providers exceeding the performance required by the clean fuel
25 standard shall receive credits that may be applied to future obligations
26 or traded to providers not meeting the clean fuel standard. The gener-
27 ation of credits must use a lifecycle emissions performance-based
28 approach that is technology and feedstock neutral to achieve greenhouse
29 gas reductions. In addition, the department shall consider other envi-
30 ronmental impacts of fuels in determining credits, including but not
31 limited to crop displacement impacts and forms of pollution other than
32 greenhouse gas emissions, whether or not occurring within the United
33 States.

34 3. For purposes of this section the term "providers" shall include,
35 but shall not be limited to, all refiners, blenders, producers or
36 importers of transportation fuels, or enablers of electricity used as
37 transportation fuel, "greenhouse gas intensity" means the quantity of
38 lifecycle greenhouse gas emissions per unit of fuel energy, and "full
39 fuels lifecycle" means the aggregate greenhouse gas emissions, including
40 direct emissions and indirect emissions, such as emissions from direct
41 or indirect land use changes, whether or not such emissions occur within
42 the United States, measured in carbon dioxide equivalents, as such term
43 is defined in subdivision two of section 75-0101 of this chapter, with
44 aggregate per unit fuel energy emissions determined by the commissioner
45 after consideration of all relevant factors, including as contemplated
46 by subdivision four of this section.

47 4. The full fuels lifecycle shall be assessed annually and such
48 assessment shall include all stages of fuel and feedstock production and
49 distribution, including but not limited to feedstock generation or
50 extraction through the distribution, delivery, and use of the finished
51 fuel by the ultimate consumer.

52 5. a. Within twenty-four months following the effective date of this
53 section, the commissioner, in consultation with the New York state ener-
54 gy research and development authority, shall promulgate regulations
55 establishing a clean fuel standard with performance objectives to imple-

1 ment subdivision one of this section. Such regulations shall include
2 establishment of measures to limit costs and maximize savings.

3 b. The clean fuel standard shall take into consideration the low
4 carbon fuel standard adopted in other states, and the recommendations of
5 the scoping plan, and shall include coordination with other Northeastern
6 states to promote regional reductions in greenhouse gas emissions.

7 c. In addition, such regulations shall:

8 (i) require providers to disclose all information material to deter-
9 mine the full fuels lifecycle and impose rigorous standards regarding
10 transparency with respect to information relevant to determining the
11 full fuels lifecycle;

12 (ii) require such disclosure and transparency in order to obtain cred-
13 its; and

14 (iii) impose significant penalties for failure to disclose or report
15 information required by such regulations or as otherwise requested by
16 the department.

17 d. Such regulations shall include fees for the registration of provid-
18 ers to offset the costs associated with implementation of the clean fuel
19 standard.

20 e. Such regulations shall allow for a deferral of the program based on
21 emergency or forecasted conditions.

22 6. Electric utilities, state agencies, and authorities, in consulta-
23 tion with the climate justice working group and the climate action coun-
24 cil established pursuant to section 75-0103 of this chapter, shall, to
25 the extent practicable, invest or direct available and relevant program-
26 matic resources to provide forty percent of such electric utility's,
27 state agency's, or authority's overall credit value on electrified
28 transportation programs, projects, or investments to directly benefit
29 disadvantaged communities, including, but not limited to, electrifica-
30 tion and battery swap programs for school or transit buses; electrifica-
31 tion of drayage trucks; investment in public electric vehicle charging
32 infrastructure and electric vehicle charging infrastructure in multi-fa-
33 amily residences; investment in electric mobility solutions such as elec-
34 tric vehicle sharing and ride hailing programs; multilingual marketing,
35 education, and outreach designed to increase awareness and adoption of
36 electric vehicles; and additional rebates and incentives for low-income
37 individuals beyond existing local, federal, and state rebates and incen-
38 tives.

39 7. Within twenty-four months following the adoption of regulations
40 implementing a clean fuel standard, the commissioner shall report to the
41 legislature regarding the implementation of the program, the reductions
42 in greenhouse gas emissions that have been achieved through the clean
43 fuel standard and targets for future reductions in greenhouse gas emis-
44 sions from the transportation sector.

45 8. Nothing in this section shall preclude the department from enacting
46 or maintaining other programs to reduce greenhouse gas emissions from
47 the transportation sector.

48 § 4. This act shall take effect immediately.