

STATE OF NEW YORK

1343--B

2025-2026 Regular Sessions

IN SENATE

January 9, 2025

Introduced by Sens. PARKER, ADDABBO, BAILEY, COMRIE, FAHY, HARCKHAM, JACKSON, MARTINS, ROLISON, SANDERS, SEPULVEDA, SERRANO, TEDISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Environmental Conservation in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the environmental conservation law, in relation to establishing the "clean fuel standard of 2026"

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 criteria pollutants and the leading source of greenhouse gas emissions that
3 endanger public health and welfare by causing and contributing to
4 increased air pollution and dangerous climate change. Meeting the
5 pollution reduction requirements of the Climate Leadership and Community
6 Protection Act will require sharp decreases in transportation-related
7 emissions.
8
9 2. Shifting from today's petroleum-based transportation fuels to
10 alternative fuels has the potential to significantly reduce transportation
11 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.

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

LBD01966-04-6

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

5 § 2. Short title. This act may be known and may be cited as the "clean
6 fuel standard of 2026".

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

9 § 19-0333. Clean fuel standard.

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

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

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

53 4. The full fuels lifecycle shall be assessed annually and such
54 assessment shall include all stages of fuel and feedstock production and
55 distribution, including but not limited to feedstock generation or

1 extraction through the distribution, delivery, and use of the finished
2 fuel by the ultimate consumer.

3 5. a. Within twenty-four months following the effective date of this
4 section, the commissioner, in consultation with the New York state ener-
5 gy research and development authority, shall promulgate regulations
6 establishing a clean fuel standard with performance objectives to imple-
7 ment subdivision one of this section. Such regulations shall include
8 establishment of measures to limit costs and maximize savings.

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

13 c. In addition, such regulations shall:

14 (i) require providers to disclose all information material to deter-
15 mine the full fuels lifecycle and impose rigorous standards regarding
16 transparency with respect to information relevant to determining the
17 full fuels lifecycle;

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

20 (iii) impose significant penalties for failure to disclose or report
21 information required by such regulations or as otherwise requested by
22 the department.

23 d. Such regulations shall include fees for the registration of provid-
24 ers to offset the costs associated with implementation of the clean fuel
25 standard.

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

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

45 7. Within twenty-four months following the adoption of regulations
46 implementing a clean fuel standard, the commissioner shall report to the
47 legislature regarding the implementation of the program, the reductions
48 in greenhouse gas emissions that have been achieved through the clean
49 fuel standard and targets for future reductions in greenhouse gas emis-
50 sions from the transportation sector.

51 8. Nothing in this section shall preclude the department from enacting
52 or maintaining other programs to reduce greenhouse gas emissions from
53 the transportation sector.

54 § 4. This act shall take effect immediately.