



NEW YORK STATE SENATOR

Liz Krueger

State Senator Liz Krueger Supports Energy Tax Cut: Criticizes State and Federal Governments for Failing to Adopt Stronger Energy Conservation and Alternative Fuel Proposals

LIZ KRUEGER May 16, 2006

Albany – State Senator Liz Krueger criticized the State and Federal governments for failing to address the energy needs of New York State in the gas tax cut legislation passed on Monday, May 15th. "While I supported this legislation because it provides modest relief to consumers in the face of skyrocketing gas prices, I was deeply disappointed that the legislation does little to encourage conservation, the use of alternative fuels, or any other mechanisms for reducing our dependency on oil," said Senator Krueger. "Since the federal government continues to fail to act, and has in fact contributed to our worsening energy situation, New York State needs a long-term energy plan with an aggressive goal of achieving energy independence within five to ten years."

Senator Krueger joined her Democratic colleagues in supporting an amendment to the gas tax cut that would have reduced the State's own energy consumption. The amendment was defeated by the Senate's Republican

Majority.

The Democratic amendment offered a number of innovations, including directing the Office of General Services (OGS) to review the size and use of the State's vehicle fleet and determine whether alternative fuel vehicles could be used. It would have also required all State agencies to perform fuel efficiency audits of their own transportation systems and fleets. OGS would have been directed to develop and promote a comprehensive carpooling program, and all State agencies would have been directed to encourage employees to explore carpooling, mass transit and other alternatives. Alternative work schedules, telecommuting and educating the public on conservation would also have been explored under the amendment.

"This amendment was an opportunity to move beyond addressing the symptoms of our dependence on foreign oil, and get at the root causes of that dependency. Reducing the costs of a fill-up by 50 cents will provide some benefit to commuters, but it will have absolutely no effect on long-term costs," said Senator Krueger. "If we really want to save the taxpayers money, we need to reduce the amount the State spends on energy, and that can only be accomplished through energy conservation measures and the development of alternative fuels."

The State's energy usage costs taxpayers \$300 million annually. New York's agencies and authorities consume 50 million gallons annually of diesel fuel and 55 million gallons of heating oil.

Krueger noted that this legislation did include provisions requiring that gas tax reductions be passed on to the consumer that were not included in similar legislation passed by the Senate in the fall. "While I am happy this bill contains some language to fight price-gouging, I have serious concerns regarding the feasibility of enforcing such regulations at the thousands of service stations across our State," said Senator Krueger.

Krueger praised provisions of the gas tax legislation that offered tax credits to consumers who purchase bio-diesel home heating oil or energy efficient home heating systems, but argued that the State needed to go much further in encouraging energy efficiency. "These provision are only a small first step toward the broader goal of reducing dependence on fossil fuels. New York State should be encouraging alternative energy development, supporting 'green building' technology, and using tax policy to discourage consumers from purchasing energy inefficient cars and appliances," said Senator Krueger.