



**AMERICANS FOR
PROSPERITY**

October 27, 2015

Testimony in Opposition to S.1747 An Act Combating Climate Change

Dear Chairman and members of the Committee:

On behalf of thousands of Americans for Prosperity members across Massachusetts, I write to you in opposition to S.1747.

As we head into the winter months, energy issues are on the minds of Bay Staters. Many are concerned their energy bills may increase as a result of the actions you consider today. Energy costs are already higher in Massachusetts than in the rest of the country. In 2014, the price of electricity for residential users was 39% higher than the national average and 79% higher for industrial users.¹ Also in 2014, the residential price of natural gas was 17% higher than the national average.² S. 1747 will raise the already high energy bills in Massachusetts, making it more difficult for families to heat their homes and keep the lights on.

S. 1747 aims to reduce carbon emissions by placing a so-called "charge" of \$10 on every metric ton of CO2 emitted in the state. This "charge" will then rise to \$40 per metric ton and the revenue collected will go into a fund that provides a rebate to residents and employers. Because of the rebate program, the revenue collected is called a "charge" and not a tax. While lawyers can quibble over whether this is a "charge" is really a tax or not, Bay Staters will see their already high energy bills rise. They face higher energy costs immediately and must trust the promises of politicians that the refund will be enough to pay the bills. You should not put the people you represent in this risky situation.

Carbon taxes have proven to be politically unpopular when people realize their true impacts. Last year, Australia repealed its carbon tax after suffering from just two years of its effect. Similar to S. 1747, Australia implemented a rebate program aimed at helping households and businesses deal with the higher energy costs. Voters in Australia realized that despite the promises of politicians, the carbon tax hurt the economy by decreasing jobs and raising electricity prices and voted in a new administration to repeal it.

Contrary to the title, S. 1747 will have no impact on climate change. According to the U.S. Environmental Protection Agency, CO2 emissions for Massachusetts totaled 68.56 million metric tons in 2013, representing just 1.25 of total U.S. emissions for the year.³ Even if Massachusetts reduced its CO2

¹ <https://www.bostonglobe.com/business/2015/04/13/massachusetts-energy-costswell-above-national-average/o6TXtgYMobvmstkSS13bVM/story.html>

² http://www.eia.gov/dnav/ng/ng_pri_sum_a_EPG0_PRS_DMcf_a.htm

³ <http://www3.epa.gov/climatechange/ghgemissions/usinventoryreport.html>

emissions to zero, it would have little impact on total U.S. emissions and no impact on global emissions, much less global temperatures. The ability of Bay Staters to heat and light their homes should not be put at risk for a policy that has zero benefits.

Thank you again for the opportunity to testify today. Americans for Prosperity encourages you to stand up for affordable and reliable energy by opposing S. 1747. We look forward to working with you in the future on these important issues.

Brent Wm. Gardner
Vice President of Government Affairs
Americans for Prosperity

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