



PO BOX 518 Upton Ma, 01568

September 16, 2025

The Honorable Christine Barber
House Chair
Joint Committee on Environment and Natural Resources
State House, Room 167
Boston, MA 02133

The Honorable Rebecca Rausch
Senate Chair
Joint Committee on Environment and Natural Resources
State House, Room 215
Boston, MA 02133

RE: Comments of Massachusetts Chemistry and Technology Alliance on H.1014 and S.588 -
An Act establishing a climate change superfund

Dear Chair Barber, Chair Rausch, and members of the Committee:

On behalf of our members, the Massachusetts Chemistry & Technology Alliance (MCTA) is pleased to submit testimony in opposition to two bills currently in your committee: H.1014 and S.588 - *An Act establishing a climate change superfund*.

MCTA is the professional organization representing manufacturers, users, and distributors of chemistry in the Commonwealth. Our membership ranges from small, multi-generational family-owned businesses operating with a handful of employees to large global companies employing thousands. More than 96% of all manufactured goods – from solar panels and turbine blades to automotive parts and pharmaceutical products – are touched by chemistry.

The legislation will impose a tax on fossil fuel companies that operated in Massachusetts from January 1995 through December 2024. The tax will be based on a future yet undefined “climate cost study” conducted by the Executive Office of Energy and Environmental Affairs (EOEEA) which will purport to estimate the total costs to Massachusetts from emissions of greenhouse gases.

MCTA is extremely concerned about the impact of this legislation on businesses in the Commonwealth for the following reasons:

The cost will be passed on to current users of fossil fuels

The proponents of this legislation contend its retroactive taxes will be borne by fossil fuel companies subject to the tax and not passed on to end users such as residents and businesses.

That is a flawed and misleading thought process and goes completely against fundamental business practices.

Any cost of this legislation *will* be passed to consumers and lead directly to further increases in our already highest-in-the-nation energy costs. It will also lead to higher prices since every product (including food) relies on fossil fuels somewhere in their supply chain. The cost increase may not be immediate or in one lump sum, but over time it will permeate every facet of the economy.

In the commercial and industrial sectors, any unnecessary cost increase will be devastating to businesses. Many industrial companies - which provide significant economic benefits to Massachusetts in the form of jobs and tax payments - are already struggling to remain here. They are operating on slim margins and are at a competitive disadvantage to their competitors in other states – many of which have lower taxes, health care, and wage costs.

This legislation, in fact, will amount to one of the most significant stealth tax increases that Massachusetts has ever enacted on its residents and businesses. It will also be regressive as lower income people also use products – directly or indirectly – impacted by this new tax.

The legislation retroactively punishes companies that have operated here legally for decades

All the fossil fuel companies subject to this legislation operated legally in Massachusetts during the time they are now subject to this retroactive tax. Federal, state, and local authorities permitted their operations, and they provided enormous benefits – both economic and fuel related - to Massachusetts at a time when there were no alternatives. *The entire state of Massachusetts relied on the very same companies and products they are now demonizing.* They paid taxes and paid employees and their products contributed to making our society better. None of these benefits are captured in the biased “climate-cost study.”

Importantly, they operated here with a presumption they could depend on rules in place at the time to make business decisions. Retroactively taxing them for something they did legally for decades and with the approval of state authorities sends a message to companies thinking of doing business here that state business leaders cannot be trusted. Other sectors may also become concerned, as there will be a genuine fear that the legislature could expand this type of retroactive taxes to other manufacturers that the state deems dispensable – even after reaping their benefits for years.

Ironically, the law includes a tax on natural gas – the cleanest fossil fuel available. The use of natural gas has, in fact, been responsible for the reduction of millions of tons of greenhouse gas emissions, as companies shifted from heavy oil and coal use. This was only possible because natural gas was available to the residents and businesses in Massachusetts at competitive prices.

Massachusetts will need fossil fuels for the foreseeable future

MCTA supports the state's transition to cleaner fuels. Many of our members manufacture materials that are used in the clean energy industry. Unfortunately, every plan that Massachusetts has made for cleaner alternatives – carbon free alternatives - has failed in recent years. For instance, electric vehicle sales have fallen far short of goals and clean energy generation, such as offshore wind projects, have been delayed or cancelled. These failures are not due to fossil fuel companies – they are due to technological, financial and supply chain issues. Whatever the reason, it is clear that Massachusetts is well behind in its clean energy goals. A retroactive tax will not make these projects get built. The most obvious alternative for fossil fuels – electrification – is not a viable option to escape the tax as the vast majority of electricity is currently generated by fossil fuels and will be for decades.

Even Governor Healey has recently [embraced](#) limited use of natural gas, saying in a statement “...we are committed to an all-of-the above approach to energy resources, and gas continues to play an important role in our overall energy supply.”

The law negatively impacts the priorities of the Healey-Driscoll Administration related to affordability

This legislation is a direct affront to the priorities of the Healey-Driscoll Administration's goals for affordable energy. It is even counter to recent legislative activity around this issue. As you know, Massachusetts has near the highest cost for electricity in the continental United States – second only to California in June 2025 according to the federal [Energy Information Administration](#) (EIA). In some cases, our costs are double those of other states. This legislation will make these cost disparities even greater.

MCTA opposes both H.1014 and S.588. A new stealth tax on hardworking residents and businesses in Massachusetts – particularly one that is retroactive - will not result in more offshore wind or renewable power being built or any reduction in greenhouse gases. It will only raise energy costs further.

Thank you for the opportunity to comment. If you have any questions, please do not hesitate to contact me. I can be reached at 508-572-9113 or at katherine@masscta.org.

Sincerely,



Katherine Robertson
Executive Director