

***Testimony Opposing Bill No. 5363, "An Act Establishing a Carbon Price for Fossil Fuel Sold in Conn."
Submitted by Douglas Hendel, Hendels, Incorporated 3/14/18***

Due to knee surgery, I, Doug Hendel, am unable to attend today's Hearing regarding Bill No. 5363, "*An Act Establishing a Carbon Price for Fossil Fuel Sold in Connecticut*". I am, instead, submitting this written testimony on behalf of Hendels, Incorporated, a third-generation, family-owned business based in Waterford, which employs almost 250 Connecticut residents in the many communities we serve throughout our State.

The economy of our once-financially thriving State is poor. Survey after survey places Connecticut in the bottom quintile of the 50 states in the U.S. insofar as economic health and financial stability is concerned. The "patient" is very seriously ill, but I believe can still be saved. However, imposition of the carbon tax bill could literally be the straw that breaks the back of our gravely ill economy and sends into a virtual death spiral. This is NOT hyperbole.

The environment is critically important and deserves legislative/regulatory protection. However, the carbon tax is not the right prescription. **We should protect our environment, but not by economically-destructive means.** Consider the following direct costs to Connecticut consumers should this bill be approved...

: this new tax on gasoline would be about 15 cents in year 1, 34 cents in year 5 and 59 cents in year 10
: this new tax on heating oil would be about 17 cents in year 1, 39 cents year 5 and 67 cents in year 10
: this new tax on propane would be about 10 cents in year 1, 22 cents in year 5 and 38 cents in year 10
: this new tax on diesel would increase 17 cents in the first year.

The burden of these increases will largely fall on the Connecticut resident who will not only pay more to drive their car and heat their home, but--since already struggling businesses will likely pass on to consumers the increased cost of doing business that the imposition of this tax would impose--will have to also pay more for items such as food and clothing.

And for what? Are drivers going to drastically change their driving practices? Are homeowners going to stop using heating oil? Most will simply cut back on spending on other items, which will do little to help the environment and a lot to further damage Connecticut's very frail economy.

The Legislature should protect the environment, but in a manner that does not ruin what is left of our State's once-vibrant economy. It is time for the Legislature to take measures to stop the bleeding and move our State's economy from the bottom Quintile among the 50 States towards the very top rung it once occupied. Imposition of the carbon tax would be one more counterproductive step in the wrong economic and fiscal stability direction.

I urge you to oppose the carbon tax bill.

Thank you.