



**HOME BUILDERS & REMODELERS ASSOCIATION
OF CONNECTICUT, INC.**

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*Your Home
Is Our
Business*

**ENVIRONMENT COMMITTEE
PUBLIC HEARING
TESTIMONY
March 18, 2019**

To: Chairwoman Cohen, Chairman Demicco, Ranking Members Minor and Harding,
Members of the Environment Committee

From: Jim Perras, Chief Executive Officer

Re: **Testimony in Opposition to COMMITTEE BILL 6646: AN ACT ESTABLISHING
AN ENVIRONMENTAL INFRASTRUCTURE**

The Home Builders and Remodelers Association of Connecticut (HBRA-CT) is a professional trade association with over eight hundred business members statewide, employing tens of thousands of Connecticut residents. Our association of small businesses is comprised of residential and commercial builders, land developers, remodelers, general contractors, subcontractors, suppliers and those businesses and professionals that provide services to our diverse industry. We build between 70% to 80% of all new homes and apartments in Connecticut each year and engage in countless home remodeling projects.

Thank you, for the opportunity to provide testimony in **opposition to HB 6646**. If enacted, this bill would create a surcharge of not less than one mill per kilowatt hour on each end user of electric services in this state to be used to fund a new Environmental Infrastructure Bank. The HBRCT is particularly concerned with the language found in line 10 of LCO 5727 that creates “a charge of not less than one mill...” which would act as a floor rather than a ceiling for this new tax, allowing for unlimited future increases.

The HBRCT understands the importance managing and preserving our natural resources. However, this is not the time to add additional tax burdens. Rather, legislators should explore alternative options to fund this bank that do not include new or expanded taxes, fees or charges to businesses. Connecticut businesses are already staring down the barrel of a gun loaded with the possibility of additional costs via, paid FMLA, tolls, \$15 minimum wage, expansion of sales taxes on services, just to name a few. This is compounded by the fact that according to the U.S. Chamber of Commerce Global Energy Institute, Connecticut consumers are already saddled with the highest electric rates in the lower 48.¹ Even without this new tax, end users of electricity can already expect higher electric prices to come. As reported in the March 13, 2019 issue of the New Haven Register in an article titled, “*Find Out Why Electricity Prices Are Rising*” wholesale electricity prices are closely tied to the price of natural gas, as many electric plants in New England are fueled by natural gas. Consequently, the extended cold New England experienced in the winter of 2018 resulted in

¹ <https://www.globalenergyinstitute.org/>

a temporary shortage of natural gas. The costs associated with this shortage are expected to have a ripple effect on electricity generation prices well into the first quarter of 2020.²

Connecticut already has some of the highest costs of conducting business in the country and our legislature is poised to raise the ceiling even higher with all the new taxes and additional costs proposed this year. For these reasons, **we respectfully ask that this Committee reject House Bill 6646.**

Thank you again, for the opportunity to provide **testimony in opposition to HB 6466.**

² <https://www.nhregister.com/business/article/Cold-snap-boosts-average-wholesale-electricity-13683393.php>