



February 20, 2026

Co-Chair Rick Lopes  
Co-Chair John-Michael Parker  
Senator Stephen Harding  
Representative Patrick Callahan

Environment Committee:

We are submitting testimony in opposition to HB 5156, AN ACT CONCERNING A CLIMATE CHANGE SUPERFUND.

HB 5156 proposes creating a "Climate Superfund" that would retroactively charge fossil fuel companies for carbon dioxide emissions from the fuels we consumed in Connecticut. These are the same fuels that have been subject to the state excise tax, federal excise tax, the petroleum gross earnings tax, federal superfund tax, Leaking Underground Storage Tank (LUST) tax, and the Oil Spill Liability Trust (OSLT) Fund tax, so it seems to be overkill and unnecessary to add another tax on top of the ones that the government already require. Tax policy should be transparent and should not apply after the fact.

HB 5156 is similar to a law recently enacted in New York that created a Climate Superfund, estimated to cost \$75 billion. Given Connecticut's smaller population and GDP, an equivalent superfund in our state would amount to approximately \$13 billion (see attached).

This cost burden would ultimately fall on consumers, resulting in an estimated 33-cent-per-gallon (cpg) increase in heating and motor fuels costs, impacting lower-income residents and those already struggling to afford basic necessities.

An additional 33cpg cost would erode the number of gallons that energy assistance recipients receive, increasing the cost of driving to work, school, the grocery store, etc., and further widening the energy affordability gap for low- and middle-income families.

Our members see our customers struggle, whether they deliver oil or propane to their homes or they fill up at the pump. Every day, we see them struggle to pay their bills. They stretch their heating fuel payments out 60 or 90 days, and they only pump 5 gallons into their car because they just don't have enough money stay current on their bill or to take a full tank. An added 33cpg just piles on more pain to families who are already squeaking by.

HB 5156 stands in stark contrast to bipartisan calls to address energy affordability issues for Connecticut residents.

The companies that would be subject to this new tax and will pass them on like every other tax. In fact, in 1987, Connecticut courts said in *Texaco Refining & Marketing Co. v. Commissioner of Revenue Services* that the company was allowed to pass on the petroleum gross earnings tax (also known in the State Budget as the Oil Company Tax).

The committee should also be aware that the Climate Superfund in New York has resulted in twenty-two other states suing them over its constitutionality. It is safe to say that if this bill passes, Connecticut can expect the same.

At a time when affordability and economic stability should be a top priority, a Climate Superfund would impose significant and regressive financial burdens on Connecticut consumers.

For these reasons, we urge you to oppose HB 5 156 .

Respectfully,

Christian A. Herb  
President

## Calculating the Cost of HB 5156, AN ACT CONCERNING A CLIMATE CHANGE SUPERFUND

Attempting to quantify the cost of a CT Superfund and its financial impact on consumers, we base this analysis on the New York Superfund, which set an exact amount to be charged at \$75 billion.

CT's GDP is 16% of that of NY and its population is 18.5%. The average of these two is 17.25. Applying this to \$75 billion gives us a cost recovery amount to be assessed of \$12.94 billion .

So, determining how much this would cost on a per gallon basis, we calculated the following –

|   |                       |
|---|-----------------------|
| Total Petroleum gallons, distillate and gasoline, in CT | 2.214 billion gallons |
| Total cubic feet of natural gas consumption in CT       | 292.2 billion cu. Ft. |

These were converted to MMBTU. Doing so, petroleum represented 48% of the total and natural gas 52% of the total.

Applying these shares to the \$13 billion total superfund assessment, we get these assessments for each energy source:

|             |                |
|-------------|----------------|
| Petroleum   | \$6.24 billion |
| Natural gas | \$6.76 billion |

The bill provides the option of paying their assessments upfront, or over nine years, with interest. We assume this is paid over nine years with 5% interest.

This results in these costs to consumers

|           |  |
|-----------|--|
| Petroleum | 32.86 cents/gallon of diesel, gasoline and heating oil |
| Natgas    | 0.28 cents/CCF   |

For heating, per EIA, a CT heating oil customer uses 629 gallons of heating oil per year, so their cost will be \$207/year for this assessment .

For CT natural gas homes, they use 54,247 CCF/year for a cost of \$152/year for this assessment .