

SENATE No. 1231

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act to establish a study commission on tax policy and carbon emissions reduction..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding any general or special law or regulation to the contrary, a
2 special commission, the Carbon Tax Study Commission, hereinafter referred to as the
3 "commission," is hereby established for the purpose of investigating and studying the reduction
4 of income, sales, or other taxes or levies and replacing the revenue lost by instituting a tax on
5 carbon emissions. In addition, the commission will be responsible for developing a plan to
6 remove carbon trading for landowners and replacing it with their findings relative to the carbon
7 emissions tax.

8 The commission shall develop alternative tax program recommendations, which shall
9 include, among other things, increases or institution of taxes directly or indirectly on carbon
10 emissions and decreases in other taxes and levies in such fashion and combinations as can
11 reasonably be expected to reduce significantly carbon emissions and raise revenue or be revenue
12 neutral for state and local governments as a whole. For each tax program the commission shall
13 estimate the overall impact on the Massachusetts economy, make proposals for mitigation of
14 hardship of low income persons who would pay carbon taxes but not receive offsetting benefits

15 from reduction of other taxes, and estimate impacts and benefits, to the extent such estimates can
16 reliably be made, on subsectors of the Massachusetts economy. The commission may, in its
17 discretion, recommend a specific tax program or programs.

18 The commission may take input and receive professional assistance from persons
19 competent in the fields of energy demand, taxation, or such other areas of expertise as the
20 commission deems appropriate. The commission will hold a minimum of four public hearings in
21 diverse locations within the state and will take testimony from the public. The commission shall
22 generate a report, including any recommended legislation, and submit the report to the Senate
23 committee on Ways and Means, House committee on Ways and Means, and the governor within
24 six months of passage of this act.

25 The Commission shall have 15 members, consisting of: the Senate President or his
26 designee; the Speaker of the House or his designee; the House and Senate Chairs of the Joint
27 Committee on Environment, Natural Resources, and Agriculture, or their designees; the House
28 and Senate Chairs of the Committee on Telecommunications, Utilities, and Energy, or their
29 designees; the Chair of the Senate committee on Ways and Means, or his designee; the Chair of
30 the House committee on Ways and Means, or his designee; the Commissioner of Revenue, or his
31 designee; the Secretary of Economic Development, or his designee; the Secretary of
32 Environmental Affairs, or his designee; and four persons appointed by the Governor, two chosen
33 from a list of persons nominated by the Massachusetts Climate Coalition, and two who shall be
34 of substantial academic or professional qualification with a track record of research and
35 publication in the fields of energy demand and taxation. The members of the commission shall
36 serve without compensation.