December 21, 2015

EO562 Input, c/o Kathleen Kerigan MassDEP One Winter Street Boston, MA 02108

Dear Ms. Kerigan,

Please add my name to those applauding the addition of TURA regulations to those subject to review under Governor Baker's Executive Order 562. I was more than disappointed that TURA was not included in the original list released in October, especially considering the devastating impact that the 26-year-old law has had on small businesses in the state.

TURA needs more than regulatory review; it also needs statutory review. I truly believe that if lawmakers and policy-makers went beyond the feel-good public relations, they would see that TURA:

- 1. Has no impact on the reduction of the use of listed chemicals in the Commonwealth;
- 2. Has a significant impact on businesses that operate in Massachusetts, and has become a deciding factor on decision-making about whether to stay or expand in the state;
- 3. Adds a hefty surcharge on small businesses (like my former company) that are trying to run an operation in an already highly-regulated, highly competitive environment;
- 4. Imposes time-consuming, irrelevant, expensive and unnecessary planning and recertification requirements;
- 5. Is a time-consuming, frustrating and costly exercise that serves no purpose except to drive businesses out of Massachusetts.

I am free to speak my mind because early this year I decided to sell the business that has been in my family since 1923. Heatbath Corporation was a small firm in Springfield employing 80 people, most of whom made their careers at Heatbath and worked for the company for 30-plus years. I paid my employees well and had a total payroll of over \$5,100,000. I paid local and state taxes, supported local businesses and charities, and received my supplies and materials from local vendors. I had operations in two other states, but my Corporation was based in Massachusetts and corporate taxes were paid to the Commonwealth.

The company that purchased Heatbath is moving the corporate headquarters and production to Ohio. It laid off the majority of my people, closed most of the facility, and is keeping just a skeleton of sales and technical support people in the state. The same Ohio-based company also purchased another Springfield business — C.A.R. Products — at the same time and is moving its operations to Ohio as well.

I cannot speak for C.A.R., but TURA was the major reason I sold. I can deal with regulations if they make sense and achieve a purpose. TURA does neither.

As you know by now, a recent analysis of the reduction of chemical use in Massachusetts showed no dramatic difference in reductions in Massachusetts and six other comparison states – Ohio, Pennsylvania, New Jersey, California, North Carolina and Connecticut. Massachusetts fared better than some, worse than others. None of these states have a law comparable to TURA.

It also showed that the number of TURA filers has decreased from approximately 1,000 to less than 500, despite the best efforts of TUR to capture more companies in its regulatory net by adding seven to chemicals to the higher hazard substance list since 2012. (An eighth is pending and will be added once the regulatory pause ends on March 31st.)

Now TURA wants to raise fees even more and expects that after the Administration's regulatory pause expires in March, that the tax on users will double. (The recommendation to increase the fees was approved at the end of the Patrick Administration.) This means that a smaller universe of filers will pay twice as much money to fund an obsolete bureaucracy. (As a write this, I am reassured that I made the right decision by selling my company when I did.)

Back to regulatory reform:

- 1. No increase in TURA fees. Enough is enough;
- 2. Reduce the planning requirement;
- 3. Reduce the number of TUR credit hours required for recertification. It is not time well spent for someone trying to run a business;
- 4. Get rid of TURI's community grant program. I supported many Springfield-area causes and projects. I resented the state taking my money to fund community projects in Cambridge and other communities;
- 5. Provide relief from TURA from companies that are using listed (or taxable) chemicals to meet the specifications for federal and state contracts or to meet permitting costs. Putting a tax on the materials Massachusetts business must use to meet the specifications of federal military contracts is simply anti-competitive.

Thanks for providing me with the opportunity to comment.

Sincerely.

Ernest Walen