



Testimony in Support of LD 495:

“An Act to Require Rules Designed to Reduce Climate Change to Include Estimates of the Reduction in Adverse Climate Effects and of the Cost to Consumers”

Senator Tepler, Representative Doudera, and the distinguished members of the Committee on Environment and Natural Resources, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify in support of LD 495, which would require that rules designed to address climate change include estimates of their effect on reducing adverse climate impacts, as well as the costs imposed on consumers.

Accountability and Transparency in Rulemaking

LD 495 is a commonsense measure that aligns with transparency and sound governance principles. Like all government interventions, climate-related regulations must be evaluated for their intended benefits and their economic impact on Maine families, businesses, and taxpayers. Requiring state agencies to provide cost-benefit estimates ensures that policymakers and the public have a clearer understanding of the trade-offs involved in regulatory decisions.

Too often, well-intentioned environmental policies are implemented without sufficient analysis of their financial impact on consumers. Without this information, lawmakers risk imposing unnecessary financial burdens on Maine citizens without achieving meaningful environmental improvements. LD 495 ensures that the costs and benefits of climate regulations are weighed objectively before they are enacted.

Protecting Maine’s Economic Competitiveness

Maine’s economic future depends on fostering an environment where businesses can thrive while protecting natural resources. Excessive or inefficient regulations could have significant unintended consequences, including:

- **Higher Energy Costs** – Overly aggressive climate rules often drive up electricity and fuel costs, disproportionately harming low-income households and small businesses that operate on thin margins.¹

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<https://spectrumlocalnews.com/me/maine/politics/2025/02/04/maine-gop-calls-for-repeal-of-solar-subsidies--citing-costs-to-businesses>



- **Job Loss and Business Relocation** – When regulatory costs become excessive, businesses may relocate to states with more balanced policies, reducing employment opportunities for Mainers.²
- **Reduced Innovation and Investment** – Excessive regulation stifles the private sector’s ability to develop cost-effective, market-driven solutions to environmental challenges.

By requiring cost-benefit analysis as part of climate rulemaking, LD 495 ensures that Maine does not implement policies that make the state less attractive for economic growth and investment.

Lessons from Other States

Maine is not alone in facing the challenge of balancing environmental goals with economic realities. States such as Texas have adopted regulatory frameworks that require economic impact assessments before implementing new rules, helping them maintain both economic growth and environmental progress.³ This requirement applies to all proposed administrative rules in Texas, not just environmental ones.

Meanwhile, states like California, which have implemented aggressive climate regulations without cost analysis, have seen higher energy prices, economic stagnation, and sizable business flight.^{4 5} Maine should learn from these experiences and adopt policies that ensure environmental responsibility without imposing undue economic harm.

Conclusion

LD 495 is not about minimizing or ignoring climate change, but rather ensuring that climate regulations are crafted in a fiscally responsible and economically sustainable manner.

For these reasons, we strongly urge the Committee to support LD 495 and advance this critical piece of legislation to ensure accountability, transparency, and economic sustainability in Maine’s climate regulations. Thank you for your time and consideration.

² <https://www.city-journal.org/article/republican-states-have-stronger-economies>

³ <https://platteinstitute.org/research-note-the-texas-example/>

⁴ <https://www.city-journal.org/article/greener-and-poorer>

⁵ <https://www.wsj.com/business/energy-oil/chevron-california-split-texas-headquarters-706f2fdf>