



**Statement of the Massachusetts Bankers Association
In Support of H.1302 and S.813,
An Act Relative to The Remediation of Home Heating Oil Releases
Joint Committee on Financial Services
June 24, 2025**

On behalf of the Massachusetts Bankers Association's (MBA) more than 120 commercial, savings and cooperative banks and federal savings institution members with 72,000 employees located throughout the Commonwealth and New England, we are writing to express our strong support for H.1302/S.813, *An Act relative to the remediation of home heating oil releases*. This legislation, which passed in the Senate last legislative session, provides homeowners throughout the Commonwealth who rely on home heating oil to heat their homes with important protections should their storage tanks leak and create environmental hazard.

As you know, more than 650,000 homes in Massachusetts rely on home heating oil. However, it is estimated that less than 50,000 of these homeowners have insurance to cover the cost of cleaning up an oil spill. Under M. G. L. Chapter 21E, owners of properties that have oil spills are strictly liable to pay for a cleanup of the oil on their own property and on any other impacted properties. These costs are typically more than \$20,000 and can greatly exceed that figure depending on the type of property and the amount of oil released. These costs can affect a homeowner's ability to pay their mortgage, property taxes and other obligations and in extreme cases a borrower may walk away from a property entirely.

Under current law, property insurers are required to "make ... available" insurance for heating oil releases but ***does not require*** insurers to inform homeowners that the coverage may be purchased. Homeowners must opt-in to receive the coverage. H.1302/S.813 require that oil release coverage be automatically provided to all homeowners and raise coverage limits to keep pace with rising cleanup costs. It is estimated that the cost to a homeowner for oil spill cleanup insurance is under \$100 per year. This requirement will protect homeowners, their properties, surrounding properties, lienholders and all other stakeholders at a minimal cost to Massachusetts residents.

Thank you for considering our views on H.1302/S.813. This legislation addresses an important gap in insurance coverage for thousands of homeowners and we respectfully ask that the bills be reported favorably by the Committee.