

**2007 Regular Legislative Session  
FISCAL ANALYSIS OF PROPOSED LEGISLATION  
Prepared by the Oregon Legislative Fiscal Office**

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**MEASURE NUMBER:** SB 461                      **STATUS:** A-Engrossed  
**SUBJECT:** Increases in retail electric consumer collections for low-income electric bill assistance  
**GOVERNMENT UNIT AFFECTED:** Housing and Community Services Department and the Public Utilities Commission  
**PREPARED BY:** John F. Borden  
**REVIEWED BY:** Michelle Deister  
**DATE:** March 19, 2007      <REVISED>

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	<u>2007-2009</u>	<u>2009-2011</u>
<b>EXPENDITURES:</b>		
Special Payments to Local Community Action Agencies – Other Funds	\$ 7,607,250	\$ 10,859,750

**REVENUES:**  
Retail Electricity Consumer Fee – Other Funds (**Please refer to the Legislative Revenue Office, Revenue Impact Statement for this measure**)

**EFFECTIVE DATE:** On passage

**GOVERNOR’S BUDGET:** This bill is not anticipated by the Governor’s recommended budget.

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**COMMENTS:** *This fiscal impact was revised to reference a Legislative Revenue Office, Revenue Impact Statement for this measure as well as to correct for a date error in the footer on the original fiscal impact.* This measure replaces current statutory language related to retail electric consumer collections for low-income electric bill assistance. The measure would allow collection, on a calendar year basis beginning in the year 2008, of \$15 million from electric company retail consumers. This is \$5 million more than the current \$10 million collection amount. The amount paid by retail consumers is capped at no more than \$500 per month. Beginning with calendar year 2009, and in all subsequent years, the rate on which the \$15 million was calculated will remain unchanged. Revenue, however, will vary based on the number of retail electricity consumers and their electricity usage.

The Housing and Community Services Department (HCSD) states that this measure would have an incremental revenue impact of approximately \$7.6 million during the 2007-09 biennium and \$10.9 million during the 2009-11 biennium. These calculations are based upon adjusting the additional \$5 million in revenue from a calendar year to a biennial basis with a further adjustment for estimated population growth. An estimate of consumer electricity consumption is not part of the calculations.

HCSD would pass through the revenue in the form of special payments to approximately 19 local Community Action Agencies, which may be either county governments or local non-profit agencies. Community Action Agencies would then be responsible for passing the funds through to qualified low-income recipients. HCSD administrative expense associated with the pass-through would remain unchanged and is based upon the actual transaction costs of transferring the funds.

The Public Utility Commission does not have a fiscal impact associated with this measure.