

**74<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session  
BUDGET REPORT AND MEASURE SUMMARY**

**MEASURE: SB 461-C**

**Carrier – House: Rep. Gilman**

**JOINT COMMITTEE ON WAYS AND MEANS**

---

**Action:** Do Pass the B-Engrossed Measure with Amendments to Resolve Conflicts and Be Printed C-Engrossed

**Vote:** 19 – 1 – 1

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Nathanson, Nolan, Shields

– Nays: Morgan

– Exc:

Senate – Yeas: Bates, Carter, Devlin, Gordly, Johnson, Morse, Schrader, Verger, Westlund, Whitsett, Winters

– Nays:

– Exc: Nelson

**Prepared By:** Lyndon Troseth, Department of Administrative Services

**Reviewed By:** Michelle Deister, Legislative Fiscal Office

**Meeting Date:** 6/25/07

---

**Agency**

Housing and Community Services Department

**Budget Page**

--

**LFO Analysis Page**

--

**Biennium**

2007-09

**Senators:** Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,  
Schrader, Verger, Westlund, Whitsett, Winters

/s/ Kurt Schrader

Senator Kurt Schrader, Co-Chair

**Representatives:** D. Edwards, Galizio, Garrard, Hanna, Jenson,  
Morgan, Nathanson, Nolan, Shields

\_\_\_\_\_  
Representative Mary Nolan, Co-Chair

\_\_\_\_\_  
Senator Betsy Johnson, Transportation and Economic Development  
Subcommittee Chair

**Budget Summary\***

	2005-07		2007-09		Percentage Committee
	Legislatively Approved Budget (1)	Governor's Budget	Committee Recommendation	Difference from Governor's Budget	Change from Governor's Budget
Other Funds	0	0	7,607,250	+7,607,250	+100.0%

**Position Summary**

Authorized Positions	0	0	0	0
Full-time Equivalent (FTE) Positions	0.00	0.00	0.00	0.00

(1) Includes adjustments through the December 2006 meeting of the Emergency Board

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

This bill increases the statutory cap on collections by Portland General Electric and PacifiCorp for low income bill payment assistance from \$10.0 million per year to \$15.0 million. The program was enacted as part of electric utility deregulation legislation by the 1999 Legislature (Senate Bill 1149). It is funded with Other Funds, via a monthly meter charge. This bill replaces current statutory language related to retail electric consumer collections for low-income electric bill assistance.

The bill allows collection, on a calendar year basis beginning in the year 2008, of \$15.0 million from electric company retail consumers. This is \$5.0 million more than the current \$10.0 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.

**Summary of Subcommittee Action**

The Subcommittee recommended Senate Bill 461 relating to low-income electric bill assistance. Electric companies transfer the revenue to the Housing and Community Services Department (HCSD), which makes special payments to approximately 19 local Community Action agencies, which may be either county governments or local non-profit agencies. These agencies disburse funds to eligible individuals based on income criteria. HCSD states that this bill 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. HCSD administrative expenses associated with the pass-through would remain unchanged and is based upon the actual transaction costs of transferring the funds. The Subcommittee recommended \$7,607,250 in Other Funds for HCSD to implement the provisions of Senate Bill 461.

## **Summary of Performance Measure Action**

The Subcommittee discussed performance measure changes with the agency with regard to two pending substantive bills: House Bill 3551-A, which would provide more funding for affordable housing, and Senate Bill 461 which would provide more funding for energy assistance programs. The attached report details the improvements in performance that HCSD expects to achieve due to the passage of SB 461.