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HOUSE OF REPRESENTATIVES

Testimony in Support of Senate Bill 863A
Representative Tina Kotek, House District 44, North/NE Portland
House Committee on Revenue
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MEASURE: SB 863-A
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HOUSE REVENUE COMMITTEE
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SUBMITTED BY: REP. TINA KOTEK

Thank you for the opportunity to speak today in support of Senate Bill 863A. This is a consensus bill developed by the NW Energy Coalition, an alliance of more than 110 groups including human services providers and advocacy groups, businesses, and utility companies. With such a broad coalition of support, the need for this bill is clear. I hope you will pass it out of your committee with all due urgency.

Senate Bill 863A would temporarily increase the amount of funds available for payment assistance for utility bills. The Public Utility Commission (PUC) is currently authorized to collect \$15 million annually from residential electricity consumers to pay for low-income energy assistance through the Housing and Community Services Department Low-Income Electric Bill Payment Assistance Fund. In the past, federal dollars have supplemented this amount to provide relief to more low-income individuals. As the federal funds are no longer available, the need for utility assistance is not currently being met. Senate Bill 863A would allow the PUC to collect an additional \$5 million from ratepayers over a 12-month period if certain economic triggers occur. With a sunset of January 2014, these additional funds will provide critical energy assistance to Oregonians with the greatest need while the economy recovers. The additional funds collected would be distributed in the same method and manner as the current funds.

The economic triggers written into this bill are appropriately unusual. More than two of several specific circumstances must occur, including an unemployment rate of over 10% for six months in a year, a poverty rate at over 12%, or the percentage of families receiving supplemental nutritional assistance over 20%. The reality that these situations have occurred indicates just how hard our state has been hit by the recession. There are families deciding between purchasing groceries and paying their utility bills, choosing rent over critical medication. Senate Bill 863A is a tangible step we can take to help these families in the short term.

As a Co-Chair of the Ways and Means Subcommittee on Human Services, I have struggled with the massive cuts to important safety net services for low-income individuals. There are many, many harsh cuts in the budget. From families losing supports from TANF to decreased rates for home care providers, the impact of the cuts we are forced to make goes deep. We haven't done much this session to help out the most vulnerable families in our state, but Senate Bill 863A is an opportunity to do better. By asking Oregonians to contribute a little extra to this fund in a time of dire need, we can at least do something to provide relief to those hurting the most.

Thank you for your attention to this issue, and I look forward to the opportunity to support this bill on the floor.