

SENATE MAJORITY OFFICE

Oregon State Legislature State Capitol Salem, OR

NEWS RELEASE

May 24, 2011

CONTACT: Molly Woon (503) 986-1074 molly.woon@state.or.us

Senate bill will help low income Oregonians keep the lights on

SB 863 will raise funds to help struggling families pay power bills

SALEM – Legislation that increases resources available to help struggling families with their electricity bill passed in the Oregon Senate this morning. Senate Bill 863 has the support of ratepayer watchdogs, advocates for low-income Oregonians, and Oregon's major power providers. By raising an extra \$5 million for the Oregon Low-Income Home Energy Assistance Program (LIHEAP) over the next two years, Senate Bill 863 will help thousands of Oregon families keep the lights on and stay in their homes.

"This assistance will make a real impact on some families' ability to stay in their homes and feed their children," said Senator Chip Shields (D-Portland), pointing to the automatic eviction that many renters face if the power is shut off. "In a lot of cases, the people being served by this program have never had to ask for help before. In these tough times, this legislation will provide meaningful help to Oregon's struggling families."

Community Actions Agencies report that they receive an average of 1,500 calls daily inquiring about help with energy bills. In winter months, the volume of calls can increase to over 8,000 calls a day. Last year, more than one in five of the over 100,000 households served were receiving energy assistance for the first time.

"Keeping the power on is key to keeping a roof over your head for many Oregonians," said Senate Majority Leader Diane Rosenbaum (D-Portland). "This assistance helps Oregonians pay their utility bills and allows them to put their scarce dollars towards food and making rent."

SB 863 requires Oregon's electric utilities to collect an additional \$5 million dollars per year from residential consumers for low-income electric bill payment assistance if two of four negative economic indicators are met. Those triggers include:

- Oregon's unemployment rate exceeds 10 percent
- Oregon's poverty rate exceeds 12 percent
- The federal allocation of low-income energy assistance is 75 percent or less than the previous year's allocation
- The number of households in Oregon receiving supplemental nutrition assistance has exceeded 20 percent

It is likely that at least two of these conditions will be met over the next two years. The charge per residential

ratepayer is expected to 35 cents a month and the collection sunsets in 2014.

"This consensus bill demonstrates what we can accomplish when stakeholders come to the table to address a common concern," said Senator Lee Beyer (D-Springfield), who carried the bill on the floor. "Turning the power on and off is expensive for everyone and we all have to share in that cost. Everyone benefits when we help struggling families keep the lights on."

Oregonians looking for help with their electricity bills can find out if they quality by visiting: <u>http://www.oregon.gov/OHCS/SOS_Low_Income_Energy_Assistance_Oregon.shtml</u>. The bill now goes to the House for consideration.

###

For more information on the Senate Majority Caucus, please visit oregonsenatedemocrats.com