



CITY OF
PORTLAND, OREGON

Ted Wheeler, Mayor
Carmen Rubio, Commissioner
Dan Ryan, Commissioner
Jo Ann Hardesty, Commissioner
Mingus Mapps, Commissioner

February 18, 2021

Representative Helm, Chair
House Committee on Human Services
900 Court Street NE, HR F
Salem, Oregon 97301

Dear Chair Helm and Members of the Committee,

The City of Portland strongly supports HB 3089, which creates a public drinking water and sewer ratepayer assistance fund and would distribute much-needed water and sewer bill payment assistance to low-income households. While Oregonians across the state have experienced unemployment and other challenges related to the COVID-19 pandemic in record numbers, the state's low-income residents have been disproportionately affected and face more barriers to their ability to pay their utility bills. Systemic racism in opportunities for housing, income, employment, and access to health care, among other things, has created inequities that mean Black, Indigenous, and people of color have been disproportionately impacted by this crisis. Water and wastewater utilities, including the Portland Water Bureau and Bureau of Environmental Services, are experiencing an increase in past due accounts, resulting in challenging revenue impacts that, if left unaddressed, will impact the ability to continue to provide critical services.

Portland has invested significant resources in creating one of the most robust financial assistance programs for water/sewer/wastewater in the country. Created in 1995, the program allows occupants of single-family properties who receive bills directly from the City of Portland to apply for a discount. The City also has a crisis voucher program. When the COVID-19 pandemic began, Portland proactively took measures to ensure that customers had uninterrupted access to safe and clean drinking water, regardless of their ability to pay their bill. Portland ceased shut-offs, late fees, and collections, and restored water service to those who had been shut off due to non-payment. Water and wastewater utilities across the state have taken similar measures to ensure that customers have uninterrupted access to drinking water and wastewater services, critical components to maintaining public health.

Historically, occupants of multi-family properties have been more challenging to reach with assistance, as the program requires recipients of financial assistance to receive a bill directly from the utility. In 2018, Portland joined with Home Forward in an Intergovernmental Agreement to create discounts for multi-family occupants. Home Forward's STRA (Short Term Rent Assistance) program contracts with over nineteen community agencies to administer this program. While we are grateful to have the opportunity to offer services to these tenants, the STRA agencies only service clients that are under case management.

Portland utilities have seen an increase in usage; however, it has been offset by the customers' ability to pay. From March 30, 2020 to December 31, 2020, water billing experienced \$4.2 million in delinquent accounts, an increase of almost 140%, and sewer billing experienced \$7.2 million in delinquent accounts, an increase of almost 100%. Failure to provide ratepayer assistance to address unpaid bills of customers experiencing impacts from COVID-19 will either result in budget cuts or rate increases. Rate increases, budget cuts, or both will only increase the financial challenges for Portlanders facing economic hardship, particularly for harder-to-reach multifamily customers.

Portland applauds HB 3089's approach to water/sewer ratepayer assistance. While a similar program has existed for forty years at the federal level for energy customers, no such program yet exists for water/sewer ratepayers. Creating a secure and well-funded system for water/sewer utilities to access ratepayer relief funds, targeted to provide low-income ratepayers with water/sewer rate relief, will begin to address the inequitable impacts of COVID-19 and will also lay the foundation for a sustained water utility rate relief program that will continue to address needs once the pandemic has passed. Historic disinvestment in water systems and infrastructure at the state and federal level have contributed to the challenge of a lack of existing ratepayer relief funding and mechanisms. Portland has a robust financial assistance program, but there is only so much that local utilities can do without significant state and federal investment. Portland supports the work of the House Water Committee and the coalition of water/sewer providers working on the issue and supports the continued work to identify mechanisms for distribution that will utilize existing infrastructure and systems for maximum efficiency.

The City of Portland urges you to support for establishing a public drinking water and sewer ratepayer assistance program. Thank you for your consideration.

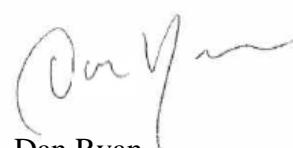
Sincerely,



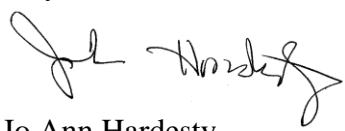
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