OWRC Oregon Women's Rights Coalition. . . since 1971

House Bill 2681 A
Senate Bill 177 A

June 2, 2017

Chairs Barnhart and Hass and members of the committee:

The Oregon Women's Rights Coalition supports individual's efforts to make Oregon a green and sustainable state. We, however, do not feel that at this point in time, Oregonians need to be incentivized further to achieve a green, sustainable economy at the cost of tax dollars which could be applied to education, human services and public safety.

We have submitted a chart, based on the Oregon Department of Energy's information submitted to the early house committee hearings. However, we calculated out the potential cost to Oregon's general fund for the one year of data and an additional year.

Most Oregonians want to be environmentally friendly. However, in looking at the tax expenditure report, once again the tax credit is taken largely by those who have above average household incomes.

The current bills and amendment stress that the tax credit should be utilized by different demographic groups. It is unclear if income is one of those demographics. The OWRC contends that the demographic most likely to use this tax credit is in the top 20% of Oregon filers.
The tax expenditure report, with 2014 tax year data, shows that 8280 filers in the top 20 percent used this credit. The number of filers in the other four categories utilizing the credit total 8150. Only 1570 filers with incomes under $27,600 used the credit.

In terms of money, the top 20% filers used almost $8 million of the $13 million noted in the tax expenditure book.

Solar Power Rocks.com rates Oregon number 4 in the nation for solar power friendliness.
Oregon gets an "A" for tax incentives because of our current generous credit. Of the nine states that received an "A" rating five states received a "F" for tax credits, one received a" D" and one received a "C". Only Oregon and New York in the top 9 states, those receiving "A"s overall received the "A" for tax credits.

Oregon picks up two big spots this year, because it passed a new RPS with an immense solar carve-out, and its incentives are still going (although not for long). The state's excellent state solar tax credit is going away after 2017, and you have to choose between performance payments and the rebate program. Still, the potential returns for a solar investment in Oregon are unquestionably good, and the state looks firmly committed to keeping it that way.
Solar Power Rocks.com

The advice from the Legislature's Joint Committee on Department of Energy Oversight was quoted in your LRO Tax Credit Report, page 36 Feb 2017.

Continue the Residential Energy Tax Credit (RETC) program for two years or until a replacement program is adopted. Direct ODOE to study and report to the Legislature on or before December 31, 2017 with recommendations on the need for new incentive programs for residential energy users including the elements needed to ensure that incentives are correctly targeted over time to promote renewable energy, energy efficiency or resiliency. This study should include a comparative review of incentives offered through RETC and those offered by the Energy Trust of Oregon programs.

Yet the bills before you extend the credit to 2024.

We urge you to either heed their advice and extend only two years or drop the credit entirely.

Lastly, the credit in Oregon is very generous. Most states if they have a credit cap that credit at $1,000. Oregon.

Please examine the information so many have provided and ask yourself, "Should I do this when we have large class sizes, Seniors will have services eliminated and working families will have their child care subsidies eliminated?"

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