

**HB 3179 B BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Rep. Sosa

**Joint Committee On Ways and Means**

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**Action Date:** 06/17/25

**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

**House Vote**

**Yeas:** 10 - Bowman, Drazan, Evans, Gomberg, Levy E, Owens, Ruiz, Sanchez, Smith G, Valderrama

**Nays:** 2 - Breese-Iverson, Cate

**Senate Vote**

**Yeas:** 8 - Broadman, Campos, Frederick, Girod, Lieber, Manning Jr, Smith DB, Sollman

**Nays:** 3 - Anderson, Bonham, McLane

**Prepared By:** Kendra Beck, Department of Administrative Services

**Reviewed By:** Benjamin Ruef, Legislative Fiscal Office

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**Public Utility Commission**

**2025-27**

**Budget Summary\***

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 463,653	\$ 463,653	100.0%
Total	\$ -	\$ -	\$ 463,653	\$ 463,653	100.0%

**Position Summary**

Authorized Positions	0	0	2	2	
Full-time Equivalent (FTE) positions	0.00	0.00	1.50	1.50	

<sup>(1)</sup> Includes adjustments through January 2025

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

House Bill 3179 increases Other Funds expenditure limitation by \$463,653 for the Public Utility Commission (PUC) for the 2025-27 biennium for positions related to the analysis of cumulative economic impacts of residential utility rate increases. The increase in limitation will be supported by PUC’s annual fee imposed on the annual revenues of state electric, gas, telecommunications, and water/wastewater providers.

**Summary of Natural Resources Subcommittee Action**

House Bill 3179 requires electric and natural gas utilities to submit cumulative economic impact analyses with proposed residential rate increases. PUC must consider this information, including bill trends, seasonal costs, and hardship data, when determining if rates are fair and reasonable. PUC may contract or coordinate with other entities to collect needed data, and the agency may adjust or defer recovery to mitigate customer impacts and must prohibit increases from taking effect between November 1 and March 31. Through January 2, 2027, or until permanent rules are adopted, increases subject to return-on-equity review may not take effect within 18 months of a previous increase. PUC must also adopt rules requiring utilities to file multiyear rate plans every three to seven years, with options for incentives, refunds, and exceptions. The measure also expands rate recovery bond eligibility to cover major capital costs, asset retirements, remediation, and energy supply disruptions. Utilities must also publish visual rate breakdowns and report annually on expected rate changes.

PUC’s budget is increased by \$463,653 Other Funds expenditure limitation for two permanent, full-time Economist 4 positions (1.50 FTE) within the Rates and Regulatory Strategy Division. These positions will lead rulemaking to establish filing requirements for multiyear rate plans,

evaluate utility-submitted cumulative economic impact analyses associated with residential rate proposals, and assess affordability and ratepayer impacts using disconnection data, overdue balances, and cost-of-living metrics.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**Public Utility Commission**  
**Kendra Beck – 503-400-4747**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>Public Utility Commission</b>									
<b>SCR 001 - Utility Regulation</b>									
Personal Services	\$ -	\$ -	\$ 451,714	\$ -	\$ -	\$ -	\$ 451,714	2	1.50
Services and Supplies	\$ -	\$ -	\$ 11,939	\$ -	\$ -	\$ -	\$ 11,939		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 463,653</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 463,653</b>	<b>2</b>	<b>1.50</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 463,653</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 463,653</b>	<b>2</b>	<b>1.50</b>

\*Excludes Capital Construction Expenditures