



HB 4121 -1: This Energy Upgrades program is much improved with -1

Testimony for Economic Development and Trade – Jody Wisner – 2.14.2018

The dash 1 amendment to HB 4121 offers many essential improvements. We've seldom if ever seen a bill improved in so many significant ways. We commend those who have clearly been working hard on HB 4121.

However, Tax Fairness Oregon opposes continued General Fund support of solar and weatherization project subsidies for high income homeowners. Bringing the threshold down from \$200,000 in AGI to \$187,000 is not adequate. An AGI of \$187,000 means a household income before deductions and exemptions of over \$220,000.

When we compare \$220,000 to the state median household income of \$58,000, we find that it is 3.75 times more. It is ten times more than the average income in Cave Junction, our poorest city, and even three times more than the median household income in West Linn and Lake Oswego.

We think change is needed to the threshold income for two reasons.

- 1) Wealthy Oregonians can pay for their own energy upgrades, without subsidies. To help sell to them, the rate of return calculations need to start including the fact that a home with solar panels is at least \$10,000 more valuable than one without and weatherization improvements will also increase their resale value. These facts will help convince these savvy shoppers.
- 2) The solar and weatherization sales forces must learn to approach median and low income families instead of relying on easy pickings.

A bill that directs our subsidies ONLY to 120% of median, low income and very low income households will force the solar and weatherization sales forces to approach these families and provide an important shift in the industries.

We read the bills and follow the money