

Comments on S. B. 275
Docket 13-057-02
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S.B. 275 represents a potential across the board rate increase for customers of Questar Gas Company. Utah's poor individuals and families cannot afford to pay more for anything.

In Utah the 2013 federal poverty guideline for a one-person household is \$11,490, for two it is \$15,510, for three it is \$19,530 and for four persons it is \$22,550 a year. The average household size in Utah is just above three persons.

The 2013 Spotlight on Poverty reports a variety of figures on Utah's poor.

Here is a just a sample:

-- The state poverty rate is 13.5%, for children it is 16.5%, seniors 9% and woman 14%. The percentage of single parent households with related children living there in poverty is 35% and the extreme poverty rate is 5.6%.

-- The number of poor families working is 32.3%, the number of low wage jobs is 21.3%, the households experiencing food insecurity is 14.6% and the percent of individuals without health insurance 14%.

-- The asset poverty rate is 23.1%, households paying more than 30% of income for rent number almost 130,000, and college students with debt is 44% at an average of \$17,227 per student.

-- Close to 250,000 persons in Utah receive food stamps including upwards to 130,000 households with children, 19,433 households receive federal rental assistance, there are 307,000 children in Medicaid and CHIP and almost 70,000 women and children receive the WIC (Women, Infants and Children) supplemental nutrition program.

-- Households on the Low-income Energy Assistance Program (known in Utah as HEAT): 44,300.

These numbers show the poverty reach in Utah is wide and varied. Eligibility for most of the programs reported here is at or above the federal poverty line cited above. While startling, the numbers shown don't account for the majority of poor individuals and households that do not participate in programs.

The national recession is still being felt in Utah. Are things getting better or worse? If you are poor and rely on federal programs such as those mentioned above, chances are things are worse. For example, according to the Campaign for Home Energy Assistance, for a Utah household receiving the HEAT in the 2011 program year the benefit averaged \$510. Last year because of federal cuts the figure was \$313. It will almost certainly be even lower for the coming season.

To make matters even worse, the federal budget sequestration dilemma is having an insidious impact on the poor. A national study just released by the Center and Budget and Policy Priorities shows the sequestration cuts for the fiscal year ending in September will mean almost 700 Utah households will not receive the Section 8 housing subsidy, public housing in the state will have lost \$4.5 million since 2010, the HOME program has lost \$7.2 million, community development \$11.5 million, and emergency solution grants \$300,000. In Utah and across the country, programs helping those with the greatest need – Head Start, Meals on Wheels, WIC and more – have been cut across the board.

What about financial help for the poor? In a meeting we had with a Salt Lake area mayor about the problems with SB 275, the budget dilemma of the poor was presented to him. He indicated he was interested in getting money to convert his vehicle fleet to natural gas. He asked if some kind of rebate or credit program could be set up. Our response was that such programs are usually inadequate, inefficient, expensive to run and used by a minority of those eligible. In other words they don't work.

Finally, we should say that the poor are not the only citizens in deep trouble. The national Family Budget Calculator issued by the Economic Policy Institute shows the income a family needs "to attain a secure but modest living standard" in the communities where they live. Their analysis considers the costs for housing, food, child care, transportation, health care, other necessities and taxes of household. They calculate the household budgets for 615 urban and rural communities across the country and here in Utah. The conclusion: the large majority of families in Utah are still hurting and will be for along time.

Our poor are poor enough, the sequestration cuts are making it worse and S.B. 275 as proposed would take away even more from them. We can and must do better.