ALASKA STATE LEGISLATURE

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REPRESENTATIVE STEVE THOMPSON DISTRICT 10

Sponsor Statement CSHB 336

"An Act establishing an energy assistance program in the Department of Revenue to issue an energy voucher to Alaska permanent fund dividend recipients; and relating to the analysis and recommendation of an energy assistance program by the governor."

Alaskans are struggling to heat their homes in the face of high energy costs. This crisis is undercutting families and stifling local economies, particularly in communities with the harshest climates and highest fuel costs.

House Bill 336 provides Alaskans with energy relief through fuel vouchers this fall, and develops a program to help residents deal with high heating costs during the transition to more affordable energy supplies.

HB 336 directs the Alaska Housing and Finance Corporation to send a voucher to every adult Permanent Fund Dividend recipient in the fall of 2012, which can be redeemed at the fuel distributor or utility of their choice for either 250 gallons of heating oil, an equivalent amount of natural gas, or 1,500 KWH of electricity. By providing an equal amount of fuel to each adult, the voucher system accounts for the disparate cost of different fuels and prices in different locations.

Renters and others who certify that they do not pay directly for home heating oil, natural gas or electricity may request the reissuance of their voucher in the name of their landlord or a \$250 cash payment.

The second section of the bill requires the governor to analyze two specific options for energy relief in FY13 and beyond: an evaluation of a "fuel price reduction program" and an "individual account program." The executive branch may also analyze alternatives to those options before making a recommendation. The analysis and recommendation are due back to the legislature by October 1, 2012.

The program recommended by the state must correlate the amount of assistance to the local cost of residential heating, taking into consideration the price of fuel and "heating degree days" in each community, as well as satisfy other requirements designed to ensure an efficient and equitable program.

The third section authorizes AHFC to adopt regulations to implement the program

The fourth section provides for an immediate effective date for the program

HB 336 will provide needed relief this year, and develop a program to help families in the future. I ask for your support.