Lou Mansolillo

From: Alex Denisevich <adenisevich@proton.me>
Sent: Wednesday, March 19, 2025 8:42 PM
To: House Corporations Committee
Subject: Testimony In Support of H5245

To the House Committee on Corporations,

I am writing in support of House Bill 5245, the Percentage Income Payment Plan. Under a PIPP, low-income households pay a fixed percentage of their income for utility bills. This percentage depends on the Federal Poverty Level of that household— those with the highest Federal Poverty Level pay the smallest percentage of their income for utility bills.

Recognizing that utility service is a basic need and an essential element of adequate housing, PIPP programs help make sure all have access to affordable utility service. Right now, Rhode Islanders living under the Federal Poverty line routinely spend 44 percent of their income on utilities. While storm-related temporary power outages make the news, each year over 20,000 RI households are put through the trauma of utility termination due to unaffordable bills. Many go weeks or months without access to basic needs. A PIPP plan would allow people with the lowest incomes to pay a more manageable amount for their utilities and help stop the shut-off crisis in Rhode Island.

Rhode Island was one of the first states in the country to implement a PIPP in the late 1980's. It lasted successfully for several years before being phased out due to cuts in federal LIHEAP funding. Currently, over a dozen states such as Ohio, New Jersey, and Maine have successful PIPP programs. In Illinois, for example, a PIPP lowered 90% of elderly customers' heating bills— more than any other utility assistance plan did.

Please support H5245 and help Rhode Islanders heat and light their homes affordably. Thank you.

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