



Kimberlee Pita
Board Chair

Luis B. Pérez, LCSW
President & CEO

February 11, 2020

Testimony before the Appropriations Committee regarding:

H.B. 5005: AN ACT ADJUSTING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2021

Good afternoon Senator Osten, Representative Walker, Senator Formica, Representative Lavielle and distinguished members of the Appropriations Committee:

Thank you for the opportunity to provide testimony. My name is Luis Perez and I wish to share comments in regards to H.B. 5005: An Act Adjusting the State Budget for The Biennium Ending June 30, 2021.

As President and CEO of Mental Health Connecticut (MHC), a 112-year-old nonprofit, and a board member of The Alliance: The Voice of Community Nonprofits, I am here to express my concern on proposed budget cuts, and to explain how funding for essential community services – across the system of care – will impact thousands of Connecticut residents.

As you gather insight and data today to make critical decisions on the budgets for DOC, JUDICIAL/CSSD, DECD, DOH, DOL (departments that MHC does not currently receive funding for), please know that the discretionary funding – departments that are not fixed costs in the budget—cause community nonprofits to fight against each other for dollars that continue to shrink.

One of the most debilitating consequences of working in an environment where organizations rely on other organizations within a complex system of care, is that when some of us face budget challenges it impacts our ability to do our best work. In the end, if we are forced to fight each other for dollars, it's our friends and neighbors within the system of care (our staff and recipients) who pay by forfeiting an improved quality of life, and sometimes their life, especially if they are at risk of experiencing homelessness, not receiving care, or many of other vulnerable situations that any of us can find ourselves in.

As you have heard or will hear over the coming weeks from many employees, program participants, and advocates– from judicial to housing and education to developmental disabilities – we are respectfully requesting that the legislature appropriate \$461 million over five years for community nonprofits.



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Community nonprofits are the third largest industry in Connecticut, yet the most underfunded. Since 2007, community nonprofits have lost at least \$461 million in state funding that has not kept pace with inflation or adequately covered increased costs and demand for services over the last thirteen years.

We join our counterparts in all community-based nonprofits to ask that Connecticut legislators and administration:

- Commit to increasing funding by the full \$461 million, or 28%, by Fiscal Year 2025;
- Appropriate \$128 million (a state net of \$67 million after federal reimbursement) in new funding for community nonprofits in Fiscal Year 2021, a 7% increase;
- Index increases to inflation, to ensure that state funding will keep pace with increased costs in the future.

Continued erosion of the system of care will continue to cost us – in lives and dollars. I am asking that you join us and other nonprofits across CT to fight for funding community-based services. And, also I urge you to support proposals to shift more expensive state-operated programs into the community.

As you know from the countless testimonies from people who receive services, community-based programs work. They cost less. They improve the quality of life for thousands of residents, their families, and communities across the state.

Please ensure that community-based services are funded so that MHC and all of our nonprofit counterparts can continue this important work.

Thank you for your time and for your service,

Luis B. Pérez, LCSW
President and CEO