



NASW

National Association of Social Workers / Connecticut Chapter

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Testimony on H.B. 5005: An Act Adjusting the State Budget for the Biennium Ending
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Appropriations Committee
Submitted By: Stephen Wanczyk-Karp, LMSW

Non-Profit Funding

The National Association of Social Workers, CT Chapter representing over 2,400 members statewide, calls upon the Appropriations Committee to address the funding shortages faced by the state's non-profits. Specifically, we support the request of The Alliance: The Voice of Community Non-Profits for \$461 million over a five-year period, starting with \$128 million (net cost of \$67 million after federal reimbursements) for FY 2021.

Since 2007 non-profits have fallen \$461 million behind the costs of services. This shortfall has significantly hurt the non-profit sector, causing cuts backs in programs and in some cases closure of non-profit agencies. Cost savings measures, including restructuring of services and mergers of agencies, can only go so far to address funding shortfalls and such strategies have been employed to the extent feasible. The answer now is to adequately fund the non-profit sector.

In the field of social work non-profits that provide crucial social service and health care services find themselves competing for qualified social workers with the public and private sector that pays better. This leads to a churning of staff who may prefer to work in the non-profit sector but cannot afford to stay in a non-profit setting. Such turnover is damaging to clients who build a relationship with a social worker only to have that worker leave. It is also costly to the non-profit to have to constantly recruit and train new employees. While newer practitioners gravitate to non-profit sector employment the loss of experienced practitioner's disadvantages clients and non-profit organizations.

The non-profit community in Connecticut provides crucial services to individuals, families and communities in every town. Without the services of the non-profit community residents throughout Connecticut would go without the help they need in areas such as mental health, health, employment, education and economic supports.

The non-profit community not only directly supports residents throughout our state utilizing their services, they also economically support the communities they serve and are located in. First of all, the non-profit sector provides employment to residents of our

state. Secondly, non-profits purchase goods and services, often from local businesses. Thirdly, the services provided to clients from non-profit social services assist such clients to become more productive residents who in turn contribute to their community and economy. Non-profits are part of the economic engine of our state and with the support of the Appropriations Committee can continue to serve in that role.

At a time when federal tax laws have disincentivized donors from giving, state funding is more critical than ever before. We urge the Appropriations Committee to finally fund the state's non-profits at a level that will allow for non-profits to remain viable entities. The request of \$461 million over 5 the next five years is a must request.