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February 20, 2020

Re: Public Hearing on: 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:

My name is Marta Jones and I am the CFO at CW Resources, Inc. We provide employment opportunities to individuals with disabilities throughout the State of Connecticut.

Thank you for the opportunity to testify on H.B. 5005 An Act Adjusting The State Budget For The Biennium Ending June 30, 2021.

Community nonprofits provide essential services in every city and town in Connecticut, serving people in need and employing tens of thousands. They are what make Connecticut a great place to live and work.

I am here to respectfully **request that the legislature appropriate \$461 million over five years for community nonprofits**. 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. Please:

1. Commit to increasing funding by the full \$461 million, or 28%, by Fiscal Year 2025;
2. 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;
3. Index increases to inflation, to ensure that state funding will keep pace with increased costs in the future.

Costs of operations that go directly into providing services for the individuals we serve continue to rise and provider rates do not. In fact, the provider community has not seen an increase in rates since 2007. Our Organization is forced to eliminate staffing positions, relocate and consolidate program sites and go without necessary supplies. Even with doing all these cost cutting measures we are still running our programs at a deficit. In fact last year this was to the tune of \$1.275 million dollars. How many years do you think an Organization can survive with such deficits? What will happen to those that we serve, the most vulnerable population?

Respectfully Submitted,

Marta E. Jones, CPA

Chief Financial Officer
CW Resources, Inc.
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