

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 Celina Kuemper, I am a Director at Journey Found, Inc. We are an organization based out of Manchester that provides services for people with intellectual disabilities throughout north central and southeastern CT.

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. The Department of Developmental Disabilities and the Private Agencies who provide these services support over 17,000 people with disabilities in Connecticut and their families. And with over 2000 people currently on the waiting list for services, any bill that approves an increase in funding for non-profits is essentially a job creation bill. Not only does the funding provide essential services for those people who need it, but it creates jobs for all that care for and support them. But I want to be very specific, because Connecticut has a very odd 2 tiered system of services that essentially pits the private sector against the State, who are also in the business of providing services for people with disabilities, but at a much higher cost. While we fought to bring the wage for our Union Employees up to \$14.75 an hour, that same union fought to protect the jobs of the state employees who made an average of \$73,000 last year doing exactly the same work. In fact, in today's economy, it has become next to impossible to hire quality staff with the drive, compassion and skills required to take on the responsibility of caring for those in our society who are the most vulnerable. These Direct Support professionals, making \$14.75 an hour, hold the lives of the people they support in their hands every day. This is not an easy job. These people can make as much money working at a fast food restaurant or a grocery store. When we do find those amazing people who are dedicated and willing to work for so much less than they deserve to be paid, we then find ourselves in competition with the State, who can pay them a lot more money for the same job. The request I am making is specifically to help even out the playing field. This does not have to be a minimum wage job creation bill. With the appropriate funding, and the flexibility to use that funding where and how it is needed, we could not only pay people what they deserve but also improve the lives of every person receiving services, and the families who care for them.

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.

To put it simply, we are being paid the same amount to provide these essential services as we were in 2007. This is simply no longer manageable. The rates we are paid for some of these services do not even cover the cost of staffing, let alone program development, staff training, quality assurance and administrative costs. As an agency, we have been forced to turn away people in need for critical services because their funding just doesn't cover the actual cost of services. Every year that our rates are not increased to keep up with inflation, we essentially lose funding because the costs of doing business are not stagnant. Since Journey Found opened in 2014, our overall cost of providing benefits to our employees has increased by 11%. The cost of providing health insurance alone increased by 35%. These numbers represent over 2 million dollars of our annual operating budget. And yet each year, we have to somehow come up with the money to cover the increase while our funding remains the same. Non-profits are not like the for-profit industry. We can't just take that money out and make less of a profit that year; there is no extra money. So each time a cost goes up, something has to get cut. The first things to go are things like Tuition Reimbursement for our staff and community outings for those we support become limited. But that often doesn't come close to making up the amount that we need. One year we had to limit mileage on the vans that our staff use to drive the people we support where they need to go. We had to cut vacations for the people that we support, because we couldn't afford the additional staffing costs. We are continually looking for ways to reduce staffing costs, often to the detriment of the people supported, not because we want to but because there is no other option. Some agencies have been forced to close programs entirely, which is not only a loss to the people receiving supports and the staff that worked there, but a loss of money being spent in the community the home is in. Journey Found homes spend close to \$1 million each year in the community for consumable goods and services. These cuts should never be acceptable solutions. We are reaching a tipping point, where we just don't have anywhere else to cut from, and the non-profit sector can no longer bear the burden of balancing the budget year after year. It's time to make us whole.

Thank you.

Celina Kuemper
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