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**March 26, 2021**

Representative Walker, Senator *Osten* and members of the Appropriations Committee, thank you for the opportunity to submit testimony.

My name is Josh Royce and I have the privilege to serve as the District Executive Director for the Central Connecticut Coast YMCA. I would like to share some of my thoughts regarding **H.B. 5607**, An Act Concerning the Use of COVID-19 Relief Funds to Replenish the Unemployment Compensation Trust Fund.

Many nonprofits opt to self-insure and make payments for unemployment insurance only when claims are filed. The self-insured system allows for reasoned risk-benefit determinations and provides protections for different sizes and types of nonprofits. Plus, the system encourages nonprofits to refrain from over-hiring to avoid significant layoffs, and thereby keeps unemployment insurance costs under control.

If the bill was modified to help non-profit organizations it would alleviate the unprecedented cash flow shortages that YMCAs are experiencing. The pandemic has meant nonprofits faced an unexpectedly large insurance bill. By all accounts, these bills are one of the most problematic issues facing YMCAs statewide in 2021, because Ys laid off or furloughed 70-90 percent of their staff during the pandemic.

This expense may force our YMCA to eliminate programs and services, lay off more employees and delay the rehiring of staff.

I respectfully urge you to cover non-profits unemployment burden to lessen this financial strain on YMCAs in Connecticut, so that we will be able to continue to serve our communities during these unparalleled times.

Thank you in advance for your time and your service to our great State.

Be well,

Josh Royce  
District Executive Director  
Woodruff Family YMCA & Valley YMCA