

March 2, 2021

Appropriations Committee Testimony  
Re: H.B. No. 6439 Concerning The  
State Budget for the Biennium Ending 6/30/23

David Hadden  
Board Chair, Oak Hill

Senator Osten, Representative Walker, Distinguished Members of the Committee:

My name is David Hadden. I am the Oak Hill Board of Directors' Chair. We are a partner with the State, discharging its obligation to protect *our most vulnerable citizens*. Each year, Oak Hill serves over 40,000 people with disabilities and, with our affiliate Gilead, persons with mental health needs. With over 1,700 professionals across 73 towns, we are *a major employer* in the State of Connecticut. The vast majority of our employees are hardworking dedicated union members. We are a proud union shop.

I am also the father of two beautiful, gentle souls who communicated poignantly without words, and who needed assistance in all their daily needs. My wife and I could not have done that for 35 years without the essential help of Oak Hill and HARC.

First and foremost, I want to thank you, leaders and members of the Appropriations Committee, for recognizing that ***THE NONPROFIT SECTOR MUST HAVE AN INCREASE IN RATES NOW AFTER 14 YEARS OF FLAT FUNDING.***

The cost of *everything* over the past 14 years has gone up: gasoline, food, insurance, medical costs to name a few. With no rate increase, nonprofits providing essential services have had to do more with less every year. More critically, *the wages of our employees have effectively decreased year after year.*

The Connecticut Nonprofit Alliance concludes the economic loss to the nonprofit sector of 14 years of flat funding is \$461 million. *We should implement the Alliance's thoughtful solution:*

- Appropriate \$128 million (a state net of \$67 million after federal reimbursement) in new funding for nonprofits in Fiscal Year 2022, a 7% increase.
- Commit to increasing funding by the full \$461 million by Fiscal Year 2026.
- Index increases to inflation to ensure that state funding keeps pace with increased costs.

While you understand the urgency of this, our Governor has not. He has failed, as you know, to include any rate increase in his budget. This *failure* is inexplicable and unacceptable.

Is it lack of awareness or information? Is it a conscious choice to place people with disabilities and those who serve them at the bottom of the priority ladder? Or, is it a cynical calculation that disabled people have no serious political power and can be ignored ?

The Governor has praised our workers as essential. And they are. He has expressed gratitude for how our workers have responded heroically to the Covid crisis. And they have. The Governor has denounced systemic racial inequity. Two thirds of our workforce are persons of color.

And now, the Governor has proposed flat funding for our workforce for what will be 16 straight years? 16 years is a generation, and that is shameful. *We are angry*. Our workers are angry. And our families are angry.

With flat funding, the ability of our employees to live decently in Connecticut has steadily declined as a direct result of state public policy. The impact falls most heavily on persons of color. That is a classic illustration of *systemic racism*. We must see it for what it is. Flat funding is inequitable and it is unacceptable.

You have to wonder, how much of this is a failure of imagination? Our “progressive” Connecticut is one of the few states that operates both a public and a private human service delivery system. The cost of operating a dual system is scandalous and unfair. It is another illustration of state-sponsored inequity.

If my son were in a state-run group home, the state would spend directly about \$400,000 per year for his care. For the same service provided in an Oak Hill group home, the State would pay Oak Hill \$100,000. Oak Hill’s actual cost to Oak Hill is closer to \$150,000. All we ask is enough to recover our costs. With a proper adjustment to our rates, Oak Hill could care for more people, paying our union workers a livable wage, and saving the state millions of dollars.

So, I urge the Legislature and the Governor to give the nonprofits an equitable rate adjustment. Stop taking advantage of the good heartedness of those who choose, thank God, to work in the nonprofit sector. Address this glaring example of systemic inequity now.

**Appropriate \$128 million (net \$67 million) in new funding for nonprofits in Fiscal Year 2022, and commit to increasing funding by the full \$461 million by Fiscal Year 2026, indexed for future inflation.**

Thank you.