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Testimony Submitted to the Appropriations Committee:

H.B. No. 6439 An Act Concerning the State Budget for the Biennium Ending June 30, 2023.

Submitted By: Barry Simon, President & CEO

March 2, 2021

Good afternoon Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee, my name is Barry Simon and I am the President of Oak Hill. Oak Hill has been providing services for 126 years and is a leader in providing the highest quality community-based programs; through education, assistive technology, programs and advocacy, we support people at every stage of life. Oak Hill and our affiliates Gilead Community Services and Easterseals, have over 20 distinct programs; 152 program sites, classrooms, and homes located in 77 towns. Oak Hill employs over 1,700 professionals to successfully help meet the changing needs of close to 40,000 people with disabilities each year. What is obvious to me as I visit the various programs and meeting participants and staff, is that Oak Hill does set the standard in providing education and lifelong learning opportunities to enhance independence and quality of life for people with disabilities. We are among the 300+ member agencies of the Alliance, the voice of Community Nonprofits. Yet, as Connecticut's largest POS provider of services for people with disabilities, it is very difficult to do business in CT with 14 years and counting of either no net increases or actual decreases in our rates. I am here today on behalf of those we serve, my incredible staff (a large part of which are SEIU-1199 union members) and hundreds of thousands of individuals served by the community provider system.

Madam Chairs, I thank you for your public support for our industry. As you know, we have been ravaged by COVID-19, our employees have gone above and beyond, and we are demoralized by the years of neglect and inequity in how we have been treated in past budgets and the Governor's proposed budget. It has been refreshing to hear your words of support and as you move forward in this process you can right this wrong. You have choices that will reflect your priorities: you can appropriately and adequately fund our services or continue with business as usual which will cut vital services to thousands of the state's most vulnerable individuals and their families and keep wages frozen.

Programs have closed in the last few years and will continue to do so. As an agency we have closed programs, made reductions in others, reduced staff, and reduced benefits due to the short-sighted approach to state budgeting and policy. Developing business strategies to succeed in this environment is next to impossible and is having dire consequences for the total community service system.

Our Mission: Oak Hill sets the standard, partnering with people with disabilities, to provide services and solutions promoting independence, education, health and dignity.

Connecticut's community nonprofits deliver the state's core services, yet we are forced to operate on repeated rescissions and chronic underfunding. The COVID-19 pandemic exacerbated the impact of inadequate funding for nonprofit services and brought unanticipated and unbudgeted costs and operational challenges for many community nonprofits, such as providing hazard pay for essential workers on the front lines with a higher risk of exposure; procuring expensive and hard to find Personal Protective Equipment (PPE) and cleaning supplies; and creating telehealth services seemingly overnight, and purchasing necessary computers, cybersecurity, online meeting platforms and training for both staff and people receiving services.

We are not able to raise taxes or raise our rates to cover costs; you control that. Doing more with less, we have been doing that, and it is not a sustainable option. 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 (CPI increase of 28%) or adequately covered increased costs and demand for services over the last fourteen years. Please:

1. Commit to increasing funding by the full \$461 million, or 28%, by Fiscal Year 2026.
2. Appropriate \$128 million (a state net of \$67 million after federal reimbursement) in new funding for community nonprofits in Fiscal Year 2022, a 7% increase.
3. Index increases to inflation, to ensure that state funding will keep pace with increased costs in the future.
4. Hold nonprofits financially harmless from the impact of COVID-19.

I would like to praise the past legislative initiative that gave us pass through dollars to raise the wages of some of our employees. But after so many years of difficult budgets, and as you have held wage rates stagnant while raising the minimum wage for other businesses, it has continued to exacerbate our challenges to pay reasonable wages. Being a nonprofit community provider in Connecticut means being ignored or made to feel invisible. We have been forced to operate under a separate and unequal payment system. It has been a false conclusion that ethical appeals and persuasion would bring about justice. Our stagnant rates have cemented the poverty for much of our workforce. This is a civil rights issue as the majority of our employees represent the minority, and past budgets have displayed discrimination and prejudice as ordinary and usual when dealing with us over my 30-year career. Unfortunately, this has created a situation where strike actions will continue to be one of the most effective tactics. The ability to avoid strikes, the elimination of poverty wages, the reality of equality and change are in your hands. The work is hard, the work is noble, our employees need to be able to think of this work as a career with livable wages and the possibility of advancement. In the political process you often ask for our votes; in the budget process we are asking for your vote to make equality imperative in the budget and not evade the issue once again. Thank you for your time and consideration of these important issues. I am happy to answer your questions or provide additional information.