

March 2, 2021

Appropriations Committee Testimony
State Budget for the Biennium Ending 6/30/23
Greg Thomas
Board Member, Oak Hill

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

My name is Greg Thomas . I am on the Oak Hill Board of Directors. 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. Withover 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.

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.

I urge the Legislature and the Governor to give the nonprofits an equitable rate adjustment.

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