



Public Hearing on:
H.B. 6439 An Act Concerning The State Budget For The Biennium Ending June Thirtieth, 2023, And Making Appropriations Therefor.
Health Subcommittee
Tuesday, March 2, 10:00 am

Good afternoon Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee:

My name is Bill Valentine. I am the Chief Financial Officer of Network, Inc. Network, Inc. is a non-profit that serves 258 constituents and employs a staff of 390 within the Intellectual and Development Disabled (I/DD) Community throughout the northeastern and central parts of Connecticut.

Thank you for the opportunity to testify on H.B. 6439 An Act Concerning the State Budget for the Biennium Ending June Thirtieth, 2023, And Making Appropriations Therefor.

Community nonprofits provide essential services in every city and town in Connecticut, serving people in need and employing tens of thousands. They are what make Connecticut a great place to live and work.

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 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.

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;
- Creating telehealth services seemingly overnight, and purchasing necessary computers, cybersecurity, online meeting platforms and training for both staff and people receiving services.
- Many community nonprofits never closed their doors even as the pandemic worsened.

Previous budget cuts and underfunding have negatively impacted our organization, the people we serve and our staff. Lack of funding only allows us to pay wages that on average are barely above poverty level. In addition, the recent wage increase that was implemented did not cover the benefits cost increase that we and other agencies face every year. This results in significant turnover of our staff in positions that are critical to delivering quality care to our constituents. This causes us to spend increased dollars on temporary staffing and overtime and limits our ability to offer a solid career path to staff.

Department of Developmental Services

- Please reinvest the proposed savings of \$4.1 million by transitioning approximately 300 people to Individual Supported Employment Services from group-supported employment or day services to serve people with I/DD, rather than balancing the budget.
- Please reinvest the proposed savings of \$2.3 million from funding reductions in the Behavioral Services Program to serve people with I/DD, rather than balancing the budget.
- Please ensure that the proposed savings of \$1 million in each fiscal year from closing one public Community Living Arrangement is reinvested to serve people with I/DD, rather than balancing the budget.