

CAHS

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**Testimony before the Human Services Committee
Re: S.B. 1338: An Act Concerning a Cost of Living Increase for
Private Providers of Health and Human Services
Submitted by Maggie Adair, Public Policy Director
Connecticut Association for Human Services
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Good afternoon Senator Harris, Representative Villano, and members of the Human Services Committee. My name is Maggie Adair and I am the Public Policy Director for the Connecticut Association for Human Services (CAHS). CAHS is a statewide nonprofit organization that works to reduce poverty, strengthen families, and reconnect communities through advocacy supported by outreach, research, and public education.

CAHS is submitting testimony in support of S.B. 1338, which would provide critically needed cost-of-living increases to nonprofit human services providers. The nonprofit human services community forms the backbone of the human services delivery system in Connecticut. They work as partners with the State of Connecticut to provide services to our most vulnerable citizens. As partners, Connecticut needs to ensure that the nonprofits are adequately supported so they can continue to play their unique and important role in the community.

The Governor's budget proposes a low-wage pool for human service providers funded by the Department of Mental Retardation, Department of Mental Health and Addiction Services, and the Department of Children and Families. We support the concept of a low-wage pool to boost the wages of lower-wage nonprofit workers. It is no secret that the wages of many nonprofit human service workers falls far short of the salaries of state employees doing comparable work. Many nonprofit employees do not make enough to make ends meet. It is time to address this ever-growing wage disparity.

However, the Governor's low-wage pool does not address the total picture. First, the low-wage pool does not cover employees working for nonprofit agencies funded by other state agencies such as the Department of Social Services, Department of Public Health, Department of Correction, and others. Second, while the low-wage pool addresses employee wages, it does not address the many other costs that nonprofits incur: overall operating expenses, energy, liability insurance, general inflation, etc. Nonprofits cannot continue to operate with flat-funding, which actually is a cut in funding when taking inflation into account.

S.B. 1338 proposes a COLA of 7% in SFY08 and 5% in SFY09. This does not make up for the historical under-funding, but it is a step in the right direction. Without the COLA, it is likely that programs will be cut, waiting lists will grow, staff will be laid off, and fewer people will be served. The Legislature needs to address both the wage disparity so that nonprofit employees earn a sufficient wage and the cost-of-living adjustments so that nonprofits can continue to serve people in the community.

Please support S.B. 1338. Thank you for the opportunity to submit this testimony.