

Connecticut Nonprofit Human Services Cabinet

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Human Services Committee Public Hearing February 26, 2008

SB 413: AA Establishing a Community Provider Rescue Fund Account and Community-Based Services Commission

Hello Senator Harris, Representative Villano and members of the Committee, thank you for the opportunity to testify today. My name is Edith Karsky and I am the Executive Director of Community Association for Community Action, a member of the CT Nonprofit Human Services Cabinet (the Cabinet). The Cabinet is a statewide coalition representing approximately 1,000 nonprofit human service providers. Its mission is to advance a strong and unified nonprofit human services system to most effectively meet community needs.

The Cabinet **supports** SB 413, An Act Establishing a Community Provider Rescue Fund Account and Community-Based Services Commission.

SB 413 addresses the budget deficiencies faced by state-contracted community-based nonprofit human services. This bill contains three important measures designed to help nonprofits:

- It establishes an account within the General Fund that will provide an immediate remedy to budget shortfalls for community providers, as well as a stable funding system and a consistent cost-of-service adjustment to avoid future budget shortfalls.
- It establishes a commission on community-based services that will study and make recommendations concerning a long-term funding solution for community providers.
- It creates a capitol improvement fund for community providers.

As you know, the Governor's midterm budget does not include any cost-of-living-adjustment (COLA) funding for FY09. While members of the Cabinet have varied funding sources, from every state agency and the federal government, one of our top priorities is across the board COLA funding for all state-funded Purchase of Service contracts in the amount of 9%. SB 413 Section 4 calls for an appropriation of \$135 million into the Rescue Fund, which is equivalent to a 9% COLA.

Sustainability of our health and human services system is becoming increasingly difficult. Flat funding is equivalent to budget cuts because expenses grow regardless of whether budgets keep pace. The funding provided in SB 413 will supply the influx of dollars needed to prevent the nonprofit human services sector from falling further behind in the next fiscal year. **However, a long-term funding solution is desperately needed.** The Cabinet supports developing a commission to study and make recommendations on this matter.

We urge you to pass SB 413 and provide nonprofits with the funding needed to serve the state's most vulnerable residents.

Your attention to this complex and challenging problem is greatly appreciated. Please feel free to contact me with any questions or concerns. Thank you.

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Connecticut AIDS Resource
Coalition

Connecticut Association for
Community Action

Connecticut Association of Area
Agencies on Aging

Connecticut Association of
Nonprofits

Connecticut Coalition Against
Domestic Violence

Connecticut Community Providers
Association

Connecticut Consortium of Legal
Services

Connecticut Council of Family
Services Agencies

Connecticut Sexual Assault Crisis
Services

Connecticut Women's Consortium

Easter Seals Connecticut

End Hunger Connecticut!

Human Services Council

Oak Hill

Planned Parenthood of Connecticut

The Connection, Inc.

The Arc of Connecticut

Wheeler Clinic