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nonprofit community.

Testimony before the Human Services Committee
3.3.09

In support of HB 6609, AA Establishing a Community Provider Rescue Fund Account
and Community-Based Services Commission

BY: Cathy Zeiner, Board President, Connecticut Association of Nonprofits

Senator Doyle, Representative Walker and members of the committee, my name is Cathy Zeiner, I am the Executive Director of the Women's Center of Southeastern Connecticut and the President of the Board of Directors of the Connecticut Association of Nonprofits. I am joined today by our Executive Director Ron Cretaro and our past Board President Denis Geary, Executive Director of the Jewish Association For Community Living. We are among the 530 nonprofit organizations represented by Connecticut Association of Nonprofits (CT Nonprofits), 300 of whom receive state funding to provide health and human services on the state's behalf.

I am urging your support of the concepts raised in HB 6609, AA Establishing a Community Provider Rescue Fund Account and Community-Based Services Commission. This bill seeks to address the chronic underfunding of our state's private nonprofit health and human services providers. The average cost-of-living adjustment (COLA) for nonprofit providers stands at 1.1% over the past 20 years; this does not even begin to keep pace with the inflation that providers have experienced during that time. With percentage increases in the double digits for energy and healthcare costs, nonprofits are falling further and further behind with each passing year of inadequate COLAs.

HB 6609 contains three important measures designed to assist 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 to assist community providers in addressing aging infrastructure.

We further ask you to consider the creation of a "Nonprofit Collaboration Incentive Grant Program" within the Office of Policy & Management for state contracting nonprofit organizations including those funded by the Commission on Culture & Tourism, Department of Labor, Department Education, Department of Mental Health & Addictions, Department of Public Health, Department of Development Services, Department of Children & Families, Department of Social Services, Children's Trust Fund and the Judicial Branch Court Support Services Division. This grant program would serve as an incentive for collaborative and strategic partnerships which may include but are not limited to mergers; joint purchasing of buildings, facilities, or equipment; refinancing of program or administrative facilities; pooling of administrative functions, creating efficiencies in energy conservation, transportation, technology, etc. These initiatives would ultimately result in the streamlining and consolidation of programs, services or organizations.

We fully understand the financial crisis facing Connecticut; however, this bill is absolutely critical to the sustainability of Connecticut's private nonprofit providers. The health and human services delivery system simply cannot sustain any further increases in demand for services without additional funding being made available. While we do not envy the position that you find yourselves in or the difficult decisions that you must make, we are familiar with them. The budget cuts, making every dollar stretch a little further, the DOING MORE WITH LESS is something that nonprofits have been doing for years. We are asking for your support and urge passage of HB 6609. When Connecticut needs us most, this is what we need to be there for Connecticut.

Thank you for the opportunity to submit testimony. Please do not hesitate to contact me with any questions.