

**Testimony of James Oliver, Transition Education Specialist,
Horizons, Incorporated, South Windham, Connecticut
to the Appropriations Committee**

**H.B. No. 6824 “AN ACT CONCERNING THE STATE BUDGET
FOR THE BIENNIUM ENDING JUNE THIRTIETH 2017, AND
MAKING APPROPRIATIONS THEREFOR AND OTHER
PROVISIONS RELATED TO REVENUE,” Specific to the DDS
Budget**

March 6, 2015

Good evening Senator Bye, Representative Walker, and honorable members of the Appropriations Committee. My name is James Oliver, and I am a Transition Education Specialist at Horizons -- a private nonprofit agency located in South Windham. Our agency has been in operation for 36 years and provides individualized supports and services for people with special needs where they live, learn, work, and play. Horizons is a member of the Connecticut Association of Nonprofits.

I speak before you in opposition to H.B. No. 6824 “AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH 2017, AND MAKING APPROPRIATIONS THEREFOR AND OTHER PROVISIONS RELATED TO REVENUE,” specific to the DDS budget.

Over the next two years the Governor proposes cuts specific to the DDS budget for Employment and Day Services programs by \$30 million, Residential Services by \$23 million, and new high school graduates programs by \$36 million; also, previous cuts are annualized – costing private providers \$21 million over those same two years.

I was dismayed when I read the Governor’s budget proposal, because the State continually undervalues nonprofit employees’ work. From 2009-present, nonprofit employees only received a 1 percent cost-of-living-adjustment (COLA), despite an 8.5 percent increase in the Consumer Price Index (CPI) over that time period. The average inflation rate from 2009-2014 was 1.53 percent annually. If that rate remains constant and the Governor’s proposed budget passes, by 2017 the CPI will have risen nearly 14 percent with just a 1 percent increase in wages for nonprofit employees.

This lack of resources puts enormous strain on nonprofit providers by forcing them to keep starting wages low and to withhold raises, which contributes to high turnover rates, because positions in menial labor jobs pay comparable starting salaries to nonprofit providers; for example, the starting wage for Job Coaches at Horizons is \$12.50/hour -- while the starting pay for a cashier at Aldi Supermarket is \$10.50/hour, for a garbage man in Willimantic 15.25/hour, and for a janitor with the State

14.73/hour; in fact, in many instances the people Horizons supports who are employed in government jobs (e.g. Groton Submarine Base, United States Coast Guard Academy, UConn's and Eastern Connecticut State University's Dining Services, etc.) earn more money hourly than their Job Coaches.

Although honorable work, the aforementioned occupations require far less skill and training than that of a person working with people with special needs, but I know you know this all too well, because you acknowledged this fact with past appropriations. In 2014, State employees performing similar work to that of nonprofits' staff saw a 3 percent increase in wages; moreover, on average, the State appropriates 2.5 times more to serve people in public community living arrangements as opposed to private settings provided by nonprofits.

The Governor fails to realize that in essence nonprofit employees are contracted personnel for the State of Connecticut; as such, we deserve to reap further financial benefit from that symbiotic relationship. I understand the appeal of nonprofits is our cost effectiveness; however, a median can be met between what nonprofit employees now make and what State employees with similar responsibilities earn. The stakes are high; the nonprofit sector cannot continue to withstand these budget cuts from the State. I hope this committee and the Governor has the ability to see what is obvious to everyone else; otherwise, the inevitable will happen – the nonprofit sector in human services will collapse -- and the State will have to assume sole responsibility for people with special needs, which will have dire consequences for Connecticut's fiscal stability.