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**Testimony of the National Alliance on Mental Illness (NAMI) Connecticut
Before the Finance, Revenue and Bonding Committee
April 23, 2015**

IN REGARDS TO

SB 1135 AN ACT ESTABLISHING A SUSTAINABLE PATH FOR MAINTAINING THE BUDGET RESERVE FUND AND REDUCING THE EFFECT OF REVENUE VOLATILITY ON THE STATE BUDGET.

Good afternoon Senator Fonfara, Representative Berger and members of the Finance, Revenue and Bonding Committee, my name is Daniela Giordano and I am the Public Policy Director with the National Alliance on Mental Illness (NAMI) Connecticut. NAMI Connecticut is the state affiliate of NAMI, the nation's largest grassroots mental health organization dedicated to building better lives for all those affected by mental health conditions. NAMI Connecticut offers support groups, educational programs, and advocacy for improved services, more humane treatment and an end to stigma and economic and social discrimination. We represent individuals who live with mental health conditions and parents and family members of individuals living with mental health issues. I am writing to you today on behalf of NAMI Connecticut to speak in regards to **S.B. No. 1135** *An Act Establishing a Sustainable Path for Maintaining the Budget Reserve Fund and Reducing the Effect of Revenue Volatility on the State Budget*.

S.B. 1135 seeks to reduce the effects of revenue volatility on our state's budget. We support this effort, and are also in favor of exploring and committing to higher revenue in the upcoming fiscal year to avoid harmful and detrimental cuts to crucial public services.

The proposed cuts are deep. The Governor's budget cuts nearly \$600 million from programs critical to individuals, children and families across the state, including the Departments of Mental Health and Addiction Services (DMHAS), Social Services (DSS), Developmental Disabilities (DDS), Public Health (DPH) and others.

The cuts are unfair as they disproportionately and negatively impact our most vulnerable citizens, including children, families, and individuals with disabilities and complex health needs.

The cuts are shortsighted. For example, cutting effective and cost-effective services and supports that benefit our citizens and keep them from higher need services such as institutional care and emergency rooms while supporting them to gain and maintain stability in the community, means we as a state will forgo paying *some* money today only to find ourselves in a position of paying *a lot more for these higher cost services soon down the line*. Examples of such shortsighted cuts with long term gravely negative consequences in the mental health system are the debilitating cuts to legal services for vulnerable clients of the Department of Mental Health and Addiction Services, the elimination of the Regional Mental Health Boards and continued cuts to mental health and substance use grant accounts.

In order to avoid the harmful effect of these cuts, we ask the committee to raise revenue. We support the revenue ideas of groups like Connecticut Voices for Children, including a more progressive income tax and the elimination of certain tax breaks, among others.

We can and need to make better choices. Every cut we make is a choice, and exploring and using revenue options is a choice. We must make better choices. Here are some examples:

- If we choose to end a 1997 tax break for Internet services (\$62.2 million), we can maintain health insurance coverage for low-income parents and pregnant women (\$49.3 million) *and* restore the Earned Income Tax Credit (EITC) (11.0 million);
- If we choose to make our personal income tax more progressive (\$300 million), we can prevent significant cuts to K-12 and higher education (\$223.9 million), restore cuts to the Office of Early Childhood (\$11.3 million), and much more;
- If we choose to eliminate a 1993 tax break for amusement and recreation services (\$70.0 million), we can maintain state support for developmentally disabled children (\$20.0 million), the Department of Children and Families (\$15.7 million), youth mental health and addiction services (\$2.7 million) and more.

Thank you for your time and attention. Please let me know if I can answer any questions for you.

Respectfully,

Daniela Giordano, MSW
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NAMI Connecticut