

**TESTIMONY REGARDING SB 464, An Act Establishing the Hartford Financial Sustainability Commission, particularly Section 7 (a) submitted to the Finance, Revenue and Bonding Committee**

March 28, 2016

My name is Andrea Barton Reeves and I am President and CEO of HARC, Inc., a nonprofit in Hartford dedicated to supporting people with intellectual disabilities and their families. I am here today to express my concerns about certain provisions of SB 464, An Act Establishing the Hartford Financial Sustainability Commission. Specifically, Section 7 (a) of the proposed bill, which would impose a levy on nonprofits representing a percentage of the taxes such organization would pay if the entity were not excluded from taxation under the provisions of the general statutes, is problematic for nonprofits already struggling under significant financial stress.

Section 7(a) of SB 464 is concerning in several respects. HARC receives over 90 % of its revenue from the State of Connecticut through the Department of Developmental Services. The state's budget woes are no secret, and we at HARC understand more than most, perhaps, how it feels to live with the constant pressure of inadequate revenues and increasing demands for services. We have lived with virtually no increases in our revenue for the past ten years. Staff delivering lifesaving services have gone without wage increases for the last eight years. If we had additional resources, we would find a way to pay our staff a living wage rather than have them work multiple jobs, and we would contribute to supporting the city in a way that allows us to remain sustainable as well. Frankly, neither of these options are available to us now. We have no other resources available to pay any levies of any kind.

Another concern is that we have no idea how much of a levy would be imposed, for now long, how much it would increase year over year and if there would be any appeal or other form of recourse if any nonprofit opposes or challenges the levy.

We recognize that the City of Hartford takes good care of the people we serve. Public safety professionals, particularly the police and firefighters, have been wonderful partners, responding promptly and professionally to the unique needs of our population and for that we are very grateful and we know that these services cost money.

Recognizing that, we are doing all we can to call upon these services only when they are most needed. We have revised our protocols so that emergency calls to 911 are made only when absolutely necessary and created other means to access services that do not place an undue burden on the city's resources. We pay for our own snow removal, trash removal, utilities and property maintenance. We take pride in maintaining our property, located in the Asylum Hill community, in a manner that makes our neighbors proud.

We have been in Hartford since our founding in 1951. We're proud to part of the city and want to be good citizens. We are fully invested in the City's financial sustainability and we want to be a part of the solutions crafted to secure its financial future. Unfortunately, our financial circumstances make it impossible for us to contribute in the manner in called for in Section 7(a).

I ask the legislature to consider other ways in which nonprofits can help the city to be more financially viable. Some suggestions we offer include asking every nonprofit like ours to provide a plan that utilizes city services in a more cost effective manner. Perhaps there may be other ways that HARC and other nonprofits our size can create stronger

partnerships with other nonprofits. Giving nonprofits a seat at the table when decisions about the City's financial sustainability are made would go a long way toward developing even greater goodwill between the city and the nonprofit community, many of whom provide vital, lifesaving services to people with very specialized needs.

We are asking the Committee to carefully consider all of the consequences of the bill on the vibrancy of the nonprofit community before permitting the City to propose any levies on the City's nonprofits.

Thank you for your time.

Respectfully Submitted,

Andrea Barton Reeves

President and CEO

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