

Testimony Submitted to the Appropriations Committee:

H.B. No. 5044: An Act Making Adjustments to State Expenditures for the Fiscal Year Ending 30 June 2017

Submitted By: James Oliver, Assistant Director of Educational Support Services, Horizons, Incorporated, South Windham, Connecticut

Date of Public Hearing: 18 February 2017

Good evening Senator Bye, Representative Walker, and honorable members of the Appropriations Committee. My name is James Oliver, and I work with Educational Support Services at Horizons -- a private nonprofit agency located in South Windham. Our agency has been in operation for 37 years and provides individualized supports and services for people with special needs where they live, learn, work, and play. Horizons is among the 600 member agencies of the Connecticut Community Nonprofit Alliance.

I speak before you to express concerns with H.B. No. 5044: An Act Making Adjustments to State Expenditures for the Fiscal Year Ending 30 June 2017. Specifically, I want to express my disapproval of the proposed \$56 million cut to DDS's budget and \$53 million cut to special education, after-school programs, reading tutors, and other services in low-performing public schools state wide.

DDS and other state agencies helping the underserved populace of Connecticut are seemingly in the cross hairs of the Governor annually. For instance, last year the Governor's proposed budget sought to cut \$110 million from DDS (employment and day services programs by \$30 million, residential services by \$23 million, and new high school graduates programs by \$36 million; in addition, previous cuts were to be annualized – costing private providers \$21 million over the two year life of the budget). Likewise, this year the Governor's budget seeks to cut \$408 million from 14 state agencies that partner with nonprofit providers. These cuts would likely eliminate many critical programs that serve the neediest residents of the state and would have a butterfly effect throughout the economy as a whole.

The proposed budget is a reaction a \$560 million budget deficit. Given that next year the state faces a \$1.7 billion budget deficit, my fear is that funds to human services agencies will continue to be diverted, which will negatively impact people in need. Indeed, Governor Malloy proposes transitioning from a current services approach to a zero-based budgeting strategy.

Current services, as defined by the Governor, is based on an expectation of ever growing spending that automatically pays for every line item previously funded – with increases for

inflation. However, despite this assertion, current services at state agencies have not experienced continued growth, as evidenced by the mere 1 percent COLA for nonprofit employees working in human services in the last eight years. This year's budget requires the legislature to work with state agencies to identify "core" functions of government within each agency. The purpose of this mandate is to identify discretionary spending essential for "core" programs, presumably so "non-core" programs can be cut. Discretionary spending at state agencies includes programs and services for people with special needs, the poor, and mentally ill.

It is my contention that services rendered at agencies associated with DDS, DSS, DMHAS, and the like, are all core services that deserve the same protection from budget cuts that state employees' retirement packages (i.e. considered a fixed cost) enjoy. The people served by human services agencies require consistent programs to maintain progress, so they can contribute to the economy and be active in the community. I ask this committee to repeat its actions from last year to avert the damaging effects that the proposed budget cuts would have, so the people of Connecticut can maintain their quality of life.

Thank you for your time and consideration. Please do not hesitate to contact me with any questions or for additional information.

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