



**Testimony of Marek Kukulka, CEO
Catholic Charities Inc.- Archdiocese of Hartford**

In opposition to

**SB1137- AN ACT CONCERNING DEPOSITS IN LIEU OF TAXES and
SB 1138- AN ACT CONCERNING COMMUNITY RESTORATION FUNDS
*Finance Revenue & Bonding Committee, April 29, 2019 Public Hearing***

Senator Fonfara, Representative Rojas and Members of the Finance, Revenue and Bonding Committee: Catholic Charities of the Archdiocese of Hartford opposes Senate Bills 1137 and 1138.

Catholic Charities is a human services agency which provides services to over 16,000 children, adults, and families each year without regard to race, religion, or economic circumstances. As a multiservice agency, we serve adults and children with significant mental illness, substance use disorders, physical and intellectual disabilities, and victims of domestic or community violence. Our services also include early childhood education, infant toddler care, elderly programming, migration and refugee services, as well as family support and education. We provide many of these services through our contracts funded by the State of Connecticut.

Thank you for the opportunity to provide written testimony in opposition to section 1 of Senate Bill 1137- An Act Concerning Deposits in Lieu of Taxes and section 5 of Senate Bill 1138- An Act Concerning Community Restoration Funds.

Both bills would establish a new property tax on providers like Catholic Charities. Catholic Charities and other non-profits help municipalities with healthcare, social services and, yes, public safety by providing services to some of the neediest and most vulnerable in our state. Such a tax does not recognize the non-profit sectors' importance to local communities.

This tax will remove financial resources from non-profit human service providers and impact the most vulnerable in our communities. Human service providers in Connecticut, like Catholic Charities, have been underfunded and our resources have been reduced for many years, and yet, the needs of the individuals and families remain the same or have increased. The cost of providing services has increased each year as the cost of doing business has increased with inflation and rising benefit costs. This additional cost will put further strain on our already overstretched resources to provide services that prevent costly hospitalizations, stabilize and nurture stronger individuals and families, lower recidivism, and help make our communities safer.

It is also important to keep in mind that this proposal could sabotage our relationship with individual and corporate donors who want their contributions to help people, not pay taxes. We are already struggling to find and retain new donors.

I urge the Finance Committee to reject this new tax on non-profits and instead find ways to help non-profit providers who have been underfunded for more than the last decade.

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