

TESTIMONY OF
Kathleen Silard, President & CEO, Stamford Health

SUBMITTED TO THE
FINANCE, REVENUE AND BONDING COMMITTEE

Monday, May 1, 2019

SB 1137, An Act Concerning Deposits in Lieu of Taxes
SB 1138, An Act Concerning Community Restoration Funds

Stamford Health appreciates the opportunity to submit testimony concerning **SB 1137, An Act Concerning Deposits in Lieu of Taxes** and **SB 1138, An Act Concerning Community Restoration Funds**.

Stamford Health is a comprehensive, independent non-profit health care system that serves a region of approximately 650,000 people. We employ more than 3,500 people, making us the largest employer in the city of Stamford and one of the largest in Fairfield County. Beyond the lifesaving care we provide 24 hours a day, 365 days a year, we contribute more than \$1 billion to our state and local economy and provide more than \$80 million in uncompensated care to the residents that need it most. We are committed to providing friendly, personal care coupled with the most sophisticated services to all residents of lower Fairfield County.

SB 1137 and **SB 1138** would each require a not-for-profit hospital to pay an annual fee to the state treasurer in an amount equal to 25% of the sum such hospital would have paid to the municipalities in which the real property is located, if such property were subject to the local property tax, to fund community restoration and revitalization activities.

Stamford Health objects to this proposal as it effectively creates a hybrid form of property tax on not-for-profit acute care, chronic disease, children's, and psychiatric hospitals and health systems. We believe that Connecticut communities are already well-served by a system through which hospitals and their community partners identify and address the medical, behavioral health, and social service needs that are unique to each community.

Through community benefit programs, hospitals work to improve the health of the people and communities they serve through internal and external partnerships. Today, hospitals collaborate with community partners to support programs targeted at specific community needs such as addressing diabetes, asthma, and healthy lifestyle education programs.

Imposing a new fee on not-for-profit hospitals will adversely impact Stamford Health and other healthcare providers, and inevitably result in an increase in the cost of healthcare in Connecticut.

As you know, all levels of governments avoid imposing property taxes on charitable organizations such as hospitals in recognition of the critical services they provide for residents' health and well-being. Stamford Health urges the Committee to continue this important tradition by rejecting SB 1137 and SB 1138. Thank you for your consideration of our position.