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**Testimony Submitted to the Committee on Finance, Revenue and Bonding:
R.B. 1138, AN ACT CONCERNING COMMUNITY RESTORATION FUNDS.
Submitted By: Stan Soby, Vice President, Public Policy and External Affairs, Oak Hill
April 29, 2019**

Senator Fonfara, Representative Rojas, Senator Witkos, Representative Davis and distinguished members of the Committee on Finance, Bonding and Revenue. I am Stan Soby, Vice President for Public Policy and External Affairs at Oak Hill. Oak Hill has been providing services for 125 years and is a leader in providing the highest quality community-based programs; through education, assistive technology, programs and advocacy, we support people at every stage of life.

Oak Hill has over 20 distinct programs with 152 program sites, classrooms, and homes located in 77 towns, including our Main Campus here in Hartford. Oak Hill and its affiliates employ over 1,700 professionals to help successfully meet the changing needs of close to 30,000 people with disabilities each year. Oak Hill is among the 400+ member agencies of the Alliance, the Voice of Community Nonprofits.

Oak Hill strongly opposes Section 5 of R.B. 1138, which, because we maintain “a pension fund, endowment fund or other significant savings fund or account”, would require us to pay a fee, equal to 25% of assessed property value, at the mill rate applicable for each assessment year annually to the Treasurer for deposit in the community development account as established in the bill. This bill would take money from our services for people with intellectual, developmental, sensory and physical disabilities, people with mental health and substance use needs, people at risk of sexual violence, elders aging in place, veterans and others.

Oak Hill’s endowment, built over its 125 years, through the generosity of many and the prudence of its managers, provides over \$5 million annually to support the services we provide, including, and especially, those with inadequate state rates. Our generous donors gave so that the people we serve could benefit, not so it could be re-directed by the State as defined in this bill. Clearly, passage of this bill would impact nonprofits’ future relationships with individual, corporate and philanthropic donors.

Except for the recent wage adjustment, nonprofits have experienced some 12 years of state budget cuts and flat rates at best, with an increased cost of operations and an increasing demand for services. As a result, much of the donated funds supplants, not supplements, what should be funded by rates.

If this fee is imposed on community nonprofits, it will mean fewer people served, it will cause programs to close and it will result in people losing jobs. In a survey done within the last year of those employed directly by Oak Hill, not including our affiliates, of our 1,312 employees at the time, 113 were Hartford residents and 815 identified as persons of color. These, too, are people who will be impacted if this bill passes.

Nonprofits are an important part of the economy in our municipalities and State. Our employees live, work and spend in our communities. Many of the people we support are able to be contributing members of our communities because of the supports nonprofits provide and our donors’ generosity.

We believe this proposal would divert critical resources away from the people we serve and we as a State could do better. I urge you to take no action on R.B. 1138 without removing Section 5.

Thank you for the opportunity to provide testimony to the Committee.

Our Mission: Oak Hill sets the standard, partnering with people with disabilities, to provide services and solutions promoting independence, education, health and dignity.