



The Alliance  
Voice of Community Nonprofits  
2017 Legislative Session Recap

The legislature is headed into special session to deal with the state budget crisis and we want to share a few highlights of our work together to protect and promote community nonprofits and the people we serve. In most cases your contact with legislators made the difference.

We still have a long way to go – and “dead” bills sometimes reappear in the budget -- but these wins illustrate the power of speaking with one voice. Thank you for your continued support and effective advocacy.

***Highlights from Regular Session – The Alliance’s Priority Legislation:***

1. Passed [HB-7007](#) – Creates the Innovation Incentive Program
  - a. The bill allows OPM to establish a pilot program for nonprofits with state contracts under \$1 million to retain a portion of savings they realize at the end of the fiscal year and reinvest those savings into expanding services.
  - b. A bill to establish a program for all nonprofits with state contracts was one of The Alliance’s top legislative priorities, introduced at the beginning of Session by legislative allies at our request, and lobbied by The Alliance and our members throughout session. This compromise pilot program was necessary due to opposition by OPM to the original bill.
  
2. Passed [HB-6155](#) – Requires OPM to oversee a “Lean” process to review and streamline the individual and multi-agency licensing processes for nonprofits by DPH, DDS, and DCF. It creates a working group, including three appointments by The Alliance, to make recommendations to the legislature as needed.
  - a. This compromise was the result of significant negotiation at the close of session. The working group will issue a progress report to the legislature in September and a final report with recommendations in December.
  - b. A bill to establish “deemed status” licensure was one of The Alliance’s legislative priorities, introduced at the beginning of the legislative session by legislative allies at our request, and lobbied by The Alliance and our members throughout session.
  
3. Passed [HB-7222](#) – Clarifies Licensed Alcohol and Drug Counselor Scope of Practice
  - a. Section 22 of the bill clarifies the Scope of Practice for Licensed Alcohol and Drug Counselors and allows providers to continue to use these important and experienced counselors to help people struggling with addiction and co-occurring behavioral health diagnoses.
  - b. The Alliance worked with the Connecticut Association of Addiction Professionals in support of this clarification.

4. Defeated [SB-38](#) - Anti-Privatization Legislation
  - a. The bill would have made it more difficult to convert, from state to nonprofit operation, services for people with I/DD.
  - b. It died in the Public Health Committee following lobbying by The Alliance and our allies at the Arc of Connecticut.
  
5. Defeated [HB-7322](#) - Legislation Eliminating Nonprofit Sales Tax Exemption
  - a. The bill would have repealed the exemption for nonprofits from the sales and use tax, costing nonprofit agencies and those they serve at least an estimated \$216 million next year.
  - b. The bill died in the Finance Committee following lobbying by The Alliance and over 500 emails from our members.
  
6. Passed [HB-7323](#) - Deficiency Appropriations Bill to Make Final Payment to Birth-To-Three Providers
  - a. The bill transfers \$6.8 million to ensure timely payments to Birth-To-Three providers. OEC had run a deficiency, delaying payments until the legislature authorized the funding transfer from other accounts. The appropriation was stalled and The Alliance advocated for it to move forward, as did the Governor's office.
  
7. Defeated [SB-734](#) – Would have created a new “citizens in need account” to fund human services programs, for which donors would receive a 200% tax deduction.
  - a. The bill as proposed would have threatened charitable giving to nonprofits by incentivizing donors to direct donations to the new account. It also was not clear that funds in this account would not just replace, rather than supplement, appropriations.
  - b. The Alliance opposed this bill, which was amended in the Senate to study charitable giving and died on the House Calendar.
  
8. Defeated [HB-6469](#) - Elimination of Property Tax Exemption
  - a. This bill would have allowed municipalities to prospectively assess property tax on property purchased by nonprofits when that property previously was taxed.
  - b. The Alliance opposed this bill, which died in the Finance Committee.
  
9. Defeated [SB-795](#) – Eliminating Certificates Of Need for For-Profit Behavioral Health Facilities
  - a. This bill would have exempted for-profit behavioral health and substance abuse facilities from the requirement of a Certificate of Need. Removing this requirement would have disrupted the payer mix that allows nonprofit providers

to survive through Medicaid rates and grant funding that do not cover the cost of care.

b. The bill died on the Senate Calendar.

***Other Bills of Note:***

***Passed:***

- [SB-246](#) – An Act Concerning a State-Wide Waiting List for Residential Placement for Persons with Intellectual and Developmental Disabilities.
- [HB-6219](#) – An Act Concerning Community Reentry by Persons Who Were Incarcerated.
- [HB-7190](#) – An Act Concerning Medicaid Provider Audits and Electronic Visit Verification.
- [HB-7226](#) – An Act Concerning Awards from the Connecticut Arts Endowment Fund.

***Died:***

- [HB-6208](#) – An Act Increasing the Minimum Wage.
- [SB-1](#) – An Act Concerning Earned Family and Medical Leave.
- [HB-6099](#) – An Act Establishing a Child Care Facility Neighbor Relations Task Force.

***Pending Issues for Special Session:***

With special session now underway, Alliance staff continue to promote the following issues in upcoming budget negotiations:

1. Pushing for additional [conversion of state-run services](#) into the nonprofit sector;
2. Fighting against devastating budget cuts to line items that fund nonprofit services and programs;
3. Protecting the scheduled increase in the annual cap of the Neighborhood Assistance Act Tax Credit from \$5 million to \$10 million effective July 1, 2017 (FY18);
4. Protecting the additional \$25 million in each year of the biennium for the Nonprofit Grant Program; and,
5. Monitoring the budget implementation bill to ensure concepts to which we are opposed do not reappear.

We need you to continue to pressure the legislature until the budget is passed to:

1. Make sure that funding to nonprofits remains a priority; and,
2. Remind legislators that moving some state-operated human services to nonprofits can save as much as \$300 million over the biennium - money that can be used to fund nonprofit programs and services.

We will keep you posted on how you can best help get the message to legislators. Thank you again for all your help, time and energy throughout the legislative session.

*For more information, please contact Jeff Shaw, [jshaw@ctnonprofitalliance.org](mailto:jshaw@ctnonprofitalliance.org) or 860.525.5080 x1027.*

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