



2020 Public Policy Agenda

Increase Funding by \$461 Million for Community Nonprofits If Not Now, When?

Community nonprofits improve our quality of life, making Connecticut a better place to live and work. Nonprofits support people with intellectual/developmental disabilities, treat people with mental health and substance abuse needs, feed the hungry, house the homeless, and provide arts and culture that make our communities vibrant. Nonprofits employ tens of thousands of people across the state.

Nonprofits and the people they serve have made substantial sacrifices during the past decade of State budget deficits. Connecticut's projected surplus continues to grow and it's time to restore previous funding cuts and invest in people served by community nonprofits.

If not now, when?

1. Increase funding by \$461 million for essential services.

- Since 2007 state funding shortfalls mean community nonprofits have fallen \$461 million behind the cost of services. Establish a five-year program to restore that funding, beginning with \$128 million (net cost of \$67 million after federal reimbursements) for FY 2021.
 - i. Increase Medicaid rates to cover the true cost of care.
 - ii. Restore and increase grant funding to serve the uninsured and underinsured and pay for other programs and services not covered by Medicaid.

2. Protect nonprofit tax exemptions to ensure their funds are used for services.

- Clarify statutes to protect charitable property tax exemptions. Nonprofits reduce costs by providing services and programs so that government doesn't have to.

3. Design a modern, efficient and sustainable human service delivery system.

- Re-invest savings achieved through conversion of state-operated Behavioral Health and Intellectual/Developmental Disability services into the community service delivery system. A significant number of state employees are expected to retire by 2022, providing an opportunity to move many more State-operated services into the nonprofit sector.
- Implement and expand the Innovation Incentive Program, allowing nonprofits that innovate to retain savings.
- Protect \$25 million in bond funding each year of the biennium for the Nonprofit Grant Program that supports capital improvements to enhance service delivery.
- Support collaborative efforts between nonprofits and the State, inviting nonprofits to the table to reform the State's inefficient contracting and licensure policies and practices.

Guiding Principles

State policy must promote the respect, dignity and worth of all Connecticut residents, ensuring equal opportunity and inclusivity.

