



April 21, 2020

Senator Chris Murphy  
136 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Murphy,

The Alliance is the statewide association of community nonprofits. Community nonprofits provide essential services in every city and town in Connecticut. They are an important part of what makes Connecticut a great place to live and work and an important piece of our economy.

Thank you for your support of Connecticut's community nonprofits as Congress responds to local needs created by COVID-19 crisis. The spread of the illness poses several serious and significant problems for the public health of the half million vulnerable people served by community nonprofits across Connecticut and the 117,000 employees serving them. We understand that a new financial package is being negotiated and urge you to support three measures that would help ensure that nonprofits are open and functioning both during and after this crisis. We urge that:

1. **A new financial package include significant and meaningful assistance to fund nonprofit providers of health and human services at the same levels as they were during the months of 2019**, plus an increase to cover unanticipated costs necessary during the pandemic. We ask that you support the funding proposals of the National Council for Behavioral Health and ANCOR. Nonprofits have seen caseloads decline and costs rise, leaving them with lower reimbursement, on top of rates that were already underfunding the true cost of services. This threatens their existence. An infusion of funds would stabilize the system and ensure that people who count on services provided by nonprofits will get them.
2. **Nonprofits with more than 500 employees** be made eligible for the Payroll Protection Program, the Mid-size Business Loan Program and other programs designed to assist employers. Unlike large profit-making entities, nonprofits generally operate on the margins and do not have reserves necessary to absorb the kind of losses they are enduring due to the pandemic.
3. **The federal government reimburse states 100% of the cost of unemployment insurance for self-insured nonprofits.** The CARES Act (Section 2103) provides full reimbursement for the costs of most employers, but for self-insured nonprofits the reimbursement is only 50%. This could subject them to financially devastating payments to the state's unemployment fund later this year.

Connecticut's community nonprofits are dedicated to their missions and the needs of the vulnerable people they support. They are stretching every dollar as far as possible – but there is a limit to what they can do, at some point operations may no longer be viable.

Actions that the federal and state governments take during this crisis will determine whether Connecticut's social safety net is intact when the COVID crisis abates.

Thank you for your consideration. Please contact me or Ben Shaiken ([bshaiken@ctnonprofitalliance.org](mailto:bshaiken@ctnonprofitalliance.org)) if you have any questions or would like any more information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gian-Carl Casa', written in a cursive style.

Gian-Carl Casa  
President and CEO