



Date: March 3, 2021  
To: Environment Committee  
From: Jeff Shaw, Senior Director of Public Policy & Advocacy, The Alliance  
Re: H.B. 6497 An Act Concerning Stormwater Authorities

Good afternoon, Senator Cohen, Representative Gresko, Senator Miner, Representative Harding and distinguished members of the Environment Committee:

My name is Jeff Shaw, Senior Director of Public Policy & Advocacy, of the CT Community Nonprofit Alliance (The Alliance). The Alliance is the statewide association representing the nonprofit sector. Community nonprofits provide essential services to over half a million individuals and families in Connecticut every year, and employ 14% of Connecticut's workforce, improving the quality of life in communities across the State.

Thank you for the opportunity to testify on H.B. 6497, An Act Concerning Stormwater Authorities. The Alliance opposes the proposed language that would make tax exempt property owned by nonprofits subject to the new fees.

At a time when community nonprofits have experienced decades of underfunding, increasing demand for services, and responding as essential workers on the frontlines of the COVID-19 pandemic, this proposal would divert money away from programs that help people in need. People with developmental disabilities, the homeless, people struggling with substance abuse, victims of domestic violence, struggling arts and cultural programs, and other essential services that address community needs.

Levying a fee on tax exempt property would erode the social compact between community nonprofits and government. Nonprofits have long been exempted from state, federal and local taxes and service fees for good reason: they provide services in their communities so that government does not have to. If nonprofits are not there to address community needs that responsibility would fall to government, at a substantially higher cost.

Additionally, many community nonprofits have contracts with state government to provide those services. Requiring those entities to pay a municipal fee means a portion of the money appropriated by the State would be paid back to another level of government. The money the legislature struggles to appropriate every year would be taken away in this proposal to pay fees to the municipal authority.

This proposal could also have economic consequences on nonprofit organizations that own and operate multiple properties in multiple towns. Multiple fees from multiple towns billed to one organization would add up quickly and likely require the nonprofit to make significant program cuts just to pay the fees. Additionally, the legislation empowers each municipality to develop its own unique stormwater management program, which could result in different fee structures in each town.

Further, the proposal may sabotage nonprofits' relationship with individual, corporate and philanthropic donors who want their donations to help people, not be redirected to pay fees. Finding and retaining new donors is an ongoing challenge, especially difficult during the COVID-19 pandemic, and the proposal will only make those asks more difficult.



Finally, community nonprofits have poured all energy and resources to address unexpected increased costs and operational challenges as a result of the pandemic. They have had to:

- procure costly and hard to find Personal Protective Equipment (PPE) and cleaning supplies;
- pay hazard pay to frontline workers; and
- create telehealth services seemingly overnight, and purchasing necessary computers, cybersecurity, online meeting platforms and training for both staff and people receiving services.

Some of these costs have not been reimbursed by Coronavirus Relief Funds, Payment Protection Program loans or state funding.

Simply put, community nonprofits cannot afford to make additional payments to local government. Please protect nonprofit services by rejecting the proposed language that makes nonprofit property taxable.

Thank you for your consideration.