



DATE: March 14, 2022
TO: Public Health Committee
FROM: Jeff Shaw, Senior Public Policy Advisor, The Alliance
RE: S.B. 372, An Act Concerning the Department of Developmental Services'
Recommendations Regarding Green Initiatives in Residential Facilities Licensed by the
Department.

Good afternoon Senator Daughtry Abrams, Representative Steinberg, Senator Hwang, Senator Somers, Representative Petit and distinguished members of the Public Health Committee:

My name is Jeff Shaw, Senior Public Policy Advisor at the Connecticut Community Nonprofit Alliance (The Alliance). The Alliance is the statewide advocacy organization representing the nonprofit sector. Community nonprofits provide essential services to over half a million individuals and families in Connecticut every year and employ 115,000 Connecticut workers, improving the quality of life in communities across the State.

Thank you for the opportunity to provide testimony on **S.B. 372, An Act Concerning the Department of Developmental Services' Recommendations Regarding Green Initiatives in Residential Facilities Licensed by the Department**. S.B. 372 would encourage nonprofit residential services providers to adopt standards and practices that promote energy efficiency and use of environmentally friendly building materials by allowing them to participate in any State approved energy assessment program.

Community nonprofits are the backbone of the health and human services delivery system and have been on the frontlines of the COVID-19 pandemic. The COVID-19 pandemic highlighted both the increased demand for essential services as well as the importance of a reliable source of capital and infrastructure funding for continued service delivery.

According to a survey The Alliance released in January, almost 70% of respondents (many of which provide residential services, i.e., group homes) said that demand for services has increased over the past two years. Of those respondents, 11% stated that services have increased by more than 50%, and 30% said that demand for services increase by 25-49%. Further, almost 60% of nonprofits currently have a waiting list for services. This increased demand for services will likely require reconfiguration of existing residential facilities or construction of new residential facilities to meet the need.

Currently, nonprofit providers have no way to capitalize for infrastructure projects within their current State contracts. Throughout the COVID-19 pandemic, nonprofit providers had to exhaust cash reserves or even borrow to renovate physical spaces, upgrade ventilation systems, retrofit vehicles and make other health and safety improvements. Including nonprofit residential facilities in the State's energy conservation plans will not only benefit the environment, but also help nonprofits lower administrative costs, increase efficiency, and maintain high quality services.

Capital investments remain a key resource to pandemic recovery efforts that would strengthen the ability of community nonprofits to deliver services now and into the future. In the past, the Nonprofit Grant Program provided limited capital funding to nonprofits for a limited of infrastructure projects, including energy efficiency and conservation. As an example, one nonprofit provider needed to replace a roof, and was able to integrate the roof replacement with the addition of solar panels, which would reduce energy consumption in perpetuity. Another nonprofit provider upgraded its vehicle fleet with more energy efficient vans that transport program participants. While rising fuels prices will certainly impact their bottom line, the severity is lessened due to that capital investment.

Unfortunately, demand for the Nonprofit Grant Program always exceeded available resources. In a previous round of applications, \$101 million worth of project applications were received for only \$20 million in available funds. Indeed, nonprofits need access to more energy assessment and conservation programs.

Nonprofits want to be more energy efficient. Including them in as eligible organizations for current State energy assessment and conservation programs will help achieve that goal.

Thank you for your consideration of this important matter.