



REINVESTING IN THE COMMUNITY LIFE-LINE: NONPROFIT AGENDA FOR THE NEXT ADMINISTRATION

Fundamental to the role of State Government is to ensure its policy and spending priorities provide for the social fabric and economic health of individuals and families, and to foster a quality of life that drives economic development for Connecticut's residents.

Vital to this fundamental role is the longstanding partnership between Connecticut's Government and the Nonprofit sector. Toward strengthening that partnership so that all of Connecticut's residents benefit, two things must happen: Connecticut's nonprofits must and will continue to work to maximize the use of existing resources, and the State of Connecticut must provide adequate support to the sector.

Connecticut's nonprofits can provide answers to many of the fiscal challenges facing our state, and we stand ready to work with the new administration to ensure that happens.

In order to move toward that mutually beneficial result, the Connecticut Association of Non-Profits ("CT Nonprofits) asks and urges all candidates for Governor this year to address the following recommendations:

I. Strengthen the Capacity of Nonprofits to Serve Connecticut's Communities

- Provide adequate funding to chronically underfunded nonprofits through purchase-of-service contracts that include annual funding adjustments similar to those provided to state employees, state operated services and programs. At an average of only 1% more over the past two decades, state support continues to fall behind.
- Assure that contracts are executed and payments are made in a timely fashion.
- Reserve an annual share of state bond funds to finance the capital improvement and modernization for infrastructure needs of many nonprofits that cannot afford to access private financing and for renovations to protect the health and safety of those served.
- Ensure that nonprofits have access to all benefits extended to small businesses including access to working capital, state sponsored tax credits, loan funds and loan guarantees, .

II. Raise the Public Policy Profile of Nonprofits in State Government

- Appoint a Commissioner level Nonprofit Strategy Group with a designated representative from the Governor's Office and the Office of Policy and Management to engage actively with the Nonprofit community and designate a nonprofit liaison within each state agency.

III. Strengthen Incentives for Giving & Volunteering

- Launch a "Governor's Campaign for Philanthropic Giving" at a time when Connecticut ranks 1st in per capita income but 31st in Adjusted Gross Income in charitable giving. This will help offset the demand on government to assume the entire cost of services and payments for nonprofits by enhancing public support.

- Recognize that an Estate Tax on high value estates is a fair and equitable way to collect state revenues, and has a significant positive impact on charitable giving.
- Support the *Leave a Legacy Connecticut initiative* , which encourages people to remember their favorite charity in their estate planning.
- Develop new tax credits and expand existing tax credits, such as those in place under the Neighborhood Assistance Act and those for affordable housing, in order to encourage greater giving by corporations and individuals. Develop metrics to measure the community impact of these credits also referred to as Tax Expenditures.
- Convene “Giving Back,” reinstating the Governor’s Biennial Conference on Volunteerism.

IV. Improve Accountability of the Nonprofit Sector

- Assure the necessary resources and direction for the Public Charities Division of the Attorney General’s Office to perform effective oversight and provide legal guidance functions.

V. Recognize the Impact of Public Revenues & Expenditures on People in Need Served by the Nonprofit Sector.

- Set clearer state service priorities, focus investments on the most cost efficient and cost effective means of service delivery, reduce bureaucracy and delay, and reinvest savings in the service capacity of non-profits.
- Maximize federal revenues in every way possible.
- Assure that a fairer and more progressive state income tax, coupled with a meaningful state Earned Income Tax, provides adequate investment in core human needs all across the state.
- Protect the longstanding tax exemption of nonprofits in recognition of the vital public benefits they provide.

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