

Appropriations Committee JOINT FAVORABLE REPORT

Bill No.: HB-7232

Title: AN ACT CONCERNING EFFORTS TO STREAMLINE STATE CONTRACTING.

Vote Date: 4/24/2025

Vote Action: Joint Favorable Substitute

PH Date: 3/28/2025

File No.:

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SPONSORS OF BILL:

Appropriations Committee.

REASONS FOR BILL:

HB-7232 will require the review of state contracting and payment processes, initiating the process of changing how state agencies fulfill their contractual obligations. Community Action Agencies provide Connecticut's most vulnerable residents with essential health and human services. Nonprofits have reported systemic contracting and payment delays, threatening the ability of providers to continue services and stay viable. Providers identified the Departments of Housing, Public Health, and Social Services, with delays in payment varying by state agency. In some circumstances, monies have lapsed, and nonprofits often find themselves having to come up with the money for their programs up front by drawing down lines of credit. Community Action Agencies cannot sustain this method.

RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

NATURE AND SOURCES OF SUPPORT:

[Ben Shaiken, Director of Government Relations at the CT Community Nonprofit Alliance \(The Alliance\), Supports:](#)

Mr. Shaiken supports HB-7232 as positive action toward fixing problems nonprofits deal with when contracting with state agencies. Requiring agencies to correct payment delays to nonprofits prevents said nonprofits from having to "front the costs of their programs." Some nonprofits have reported payment delays in excess of six months. Significant delays have come from the Departments of Housing, Public Health, and Social Services. Since most nonprofits provide "essential health and human services," payment delays force new programs to begin before payment does.

[William Rybczyk, President/CEO, New Opportunities, Inc., Supports:](#)

Mr. Rybczyk supports HB-7232 as a relatively low cost and very impactful step toward addressing the non-profit sector's increased demand and inadequate compensation. Delays in the contracting process force nonprofits to "carry costs and take out lines of credit to ensure services continue." Services include emergency shelters, meal deliveries, and early childhood education. Changes are necessary to maintain services for vulnerable residents in Connecticut.

[Rhonda Evans, Executive Director, CT Association for Community Action, Inc., Supports:](#)

The CT Association for Community Action advocates for HB-7232 because reviewing agency contracting processes and payment policies will initiate solving multiple problems: (1) agency staffing levels; (2) complications with the tiered procurement process; (3) difficulties preventing timely contract payments; (4) viability of master contracts; and (5) ability to allocate carry forward funds to sustain existing programs. The "largely inefficient and ineffective state contracting process" threatens Community Action Agencies' ability to provide services to vulnerable residents who need the most help.

Almost identical testimony was submitted by:

- [Stephen Monroe Tomczak, Ph.D., L.M.S.W., Board Member, Community Action Agency of New Haven](#)
- [Emma King, VP & CPO, Access Community Action Agency](#)
- [Joshua Kelly, CEO, Thames Valley Council for Community Action](#)

[Kathleen Krider, Sr. Director Community Engagement & Resource Manager, Access Community Action Agency, Supports:](#)

Ms. Krider's agency relies on timely contract fulfillment and payment.

NATURE AND SOURCES OF OPPOSITION:

[Dr. Linda Dalessio, Opposes:](#)

Dr. Dalessio argues elected legislators should be responsible for monitoring how taxes are spent on contractors and NGOs. Additionally, Dr. Dalessio feels money is wasted on "frivolous suits against the President."

Reported by: Rebecca Hyland

Date: April 30, 2025