



General Assembly

**Substitute Bill No. 1547**

January Session, 2025



**AN ACT CONCERNING FUNDING FOR NONPROFITS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section, (1)  
2 "nonprofit human services provider" means a nonprofit provider that  
3 contracts with the state to provide human services that may include, but  
4 need not be limited to: (A) Services for persons with a physical  
5 disability, (B) services for persons with intellectual disability or  
6 developmental disabilities, including, but not limited to, autism  
7 spectrum disorder, and (C) behavioral health services; and (2) "state  
8 agency" has the same meaning as provided in section 4-37e of the  
9 general statutes.

10 (b) On July first annually, a state agency contracting with a nonprofit  
11 human services provider shall increase salary or payment rates for the  
12 employees of such providers for purposes of a recurring contract with  
13 such nonprofit human services provider by the percentage increase, if  
14 any, in the most recent calendar year average in the consumer price  
15 index for urban wage earners and clerical workers for the previous  
16 twelve-month period.

17 (c) On July first annually, the Commissioner of Social Services shall  
18 adjust Medicaid rates for nonprofit human services providers  
19 contracting with the Department of Social Services by the percentage

20 rate increase, if any, for state agency contracts pursuant to subsection  
21 (b) of this section, unless such adjustment is not permissible under  
22 federal law governing the Medicaid program.

23 (d) Not later than January 1, 2026, and every two years thereafter, the  
24 Secretary of the Office of Policy and Management shall file a report, in  
25 accordance with the provisions of section 11-4a of the general statutes,  
26 with the joint standing committees of the General Assembly having  
27 cognizance of matters relating to appropriations and the budgets of state  
28 agencies, human services and public health on state agency contracts  
29 with nonprofit human services providers. The report shall include, but  
30 need not be limited to, an analysis of appropriations needed to ensure  
31 that rates for all such contracts in subsequent fiscal years include the  
32 increases described in subsection (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

**Statement of Legislative Commissioners:**

In Section 1(b), "purposes of" was inserted before "recurring contract" for clarity.

**APP**      *Joint Favorable Subst.*