

KCADV Testimony before the Pension Work Group

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Good morning. My name is Sherry Currens and I am the Executive Director of the Kentucky Coalition Against Domestic Violence. I appreciate this opportunity to speak with the working group.

KCADV is an alliance of Kentucky's fifteen regional domestic violence programs providing statutorily-required services to victims and their children from Ashland to Paducah. Kentucky's domestic violence programs offer a broad range of both residential and nonresidential services including 24-hour crisis lines, counseling, support groups, legal advocacy, case management, financial education, prevention programs and community and professional education. Last year, Kentucky's domestic violence programs housed 4,549 victim/survivors and their children for a total of 219,000 bed-nights and provided non-residential services to an additional 22,388 individuals.

KCADV and 8 of the 15 regional domestic violence programs joined the Kentucky Employee Retirement System In 2003 and one of our programs is part of the County Employee Retirement System.

Domestic violence programs operate 24 hours a day, seven days a week. Maintaining a safe shelter environment and providing needed victim services is very staff intensive and requires well-trained, qualified employees. Our hope was that the ability to offer this benefit would help us recruit and retain staff despite low wages and difficult working conditions. For our office, joining the retirement system allowed us to provide affordable health insurance to our employees. However, projected contribution costs of over 83% will be impossible for our programs to sustain. The increase alone, from the current rate of 49.47% to 83.43% will cost domestic violence programs more than \$1.7 million dollars. For some of our rural programs, this contribution equates to as much as 1/3 of their overall budget.

Proposals to solve the problem by letting our programs opt out of the retirement system are unworkable. According to an LRC report, the cost of leaving the system ranges from \$1.8 to \$3.6 million per program which, under current law, would need to be paid in a lump sum. Even allowing shelters to pay down this liability over time is not feasible. Domestic Violence programs subsist primarily on grants and donations. State, federal and private funders place strict limitations on how their money can be used. At the same time, it's not realistic to think that individual and corporate donors who support our activities will be willing to contribute additional funds to pay off pension debt. Domestic violence programs are already raising almost \$10 million dollars annually from private and local sources to cover operating costs.

Without relief, shelters will have to cut staff, reduce the number of available beds and may be forced to close – leaving the remaining already filled-to-capacity programs to assume an impossible burden and require victims to seek services – if available – far from home.

The services provided by domestic violence programs are vital. Our programs partner with law enforcement, DCBS, the judicial system and other nonprofits across the Commonwealth to keep Kentucky families and communities safe. If our programs are faced with untenable contribution rates or debts that cannot possibly be paid, the burden created by reduced or eliminated domestic violence services will have to be borne by other state systems that are already operating at capacity – making it more expensive for the state and less safe for families. Please protect these life-changing and life-SAVING services.