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February 28, 2023

Senate Human Services Committee 900 Court St. NE Salem Oregon 97301

Dear Committee Members::

RE: SB 606 - Oregon Nonprofit Modernization Act

Blanchet House asks you to pass SB 606, the Oregon Nonprofit Modernization Act. Your support is critical to the health of the nonprofit sector and the communities they serve.

For 71 years, Blanchet House has provided free hot meals and other resources to houseless and food insecure residents in the Old Town district of Portland. We also operate two transitional housing programs, one in Old Town and our Blanchet Farm program in Yamhill County. Our clients have lived experience with homelessness and poverty, as well as mental illness, chronic illness and disability, and substance use and addiction.

In the past three years, Blanchet House has responded to the ongoing crisis in Portland by expanding our services and investing in staff who can meet the extraordinary needs of our meal guests and residents. This has resulted in a tripling of our annual budget and our staff. Our ability to receive public funding for our services is limited by many things, including the lack of grant and contract opportunities that align with our specific services and programs. In addition, complex and confusing application processes, burdensome reporting requirements, and low rates of fudning for administrative, overhead and other essential costs of operating.

Blanchet House enthusiastically supports the Oregon Nonprofit Modernization Act because it will make a meaningful difference to Blanchet House, especially by strengthening our partner nonprofits, whose success redounds to our success and the communities Blanchet House serves. We fully support the following elements of SB 606:

- Requiring a de minimis administrative rate of 10 percent or higher
- Eliminating reimbursement as a form of payment for state grants
- Requiring disbursement of contract funds within 30-days of signed contract
- Creating the Nonprofit Workforce Retention Fund to provide grants nonprofits to help maintain and prevent employee turnover
- Creating a state task force to reform nonprofit contracting in order to streamline and simplify the process, raise wages, and create an ecosystem of administrative policies, statutes and funding levels that lead to sustainable government/nonprofit partnerships)

Blanchet House appreciates your consideration of SB 606. Please don't hesitate to contact us if you have any questions.

Sincerely,

Scott, Korman

Scott Kerman Executive Director