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March 6, 2023

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

Dear Committee Members:

RE: SB 606 - Oregon Nonprofit Modernization Act

Path Home (formerly Portland Homeless Family Solutions) urges you to support Senate Bill 606, the Oregon Nonprofit Modernization Act. Your support is critical to the health of the nonprofit sector and the communities we serve.

Path Home is a nonprofit in the Portland area that empowers homeless families with children to get back into housing – and stay there. We operate programs for families that support them from crisis to stability, including a street outreach team, Family Village emergency shelter, rapid re-housing & housing retention, and homeless prevention. Last year, we helped 525 families made up of almost 2,000 kids and parents; 58% of our clients are children.

Path Home's annual operating budget is just under \$5,000,000, with about half of our revenue coming from government sources including the City of Portland, Multnomah County, and the State of Oregon. We have experienced challenges in our government contracting practices for years. Some of our challenges include not getting budgets or being reimbursed for services that we are contractually obligated to provide until 3 months after the fiscal year has begun; we have to wait 3-6 months for payment for services that we have already provided and have already submitted invoices for; for half of this current fiscal year we have been owed more than \$1,000,000 from government agencies for services already provided. Currently, our government contracting partners are behind 3-5 months on processing invoices that we have already submitted. These challenges in contract billing place our services in jeopardy. We have had to pull from our board reserves and our line of credit just to be able to make payroll each month. This is unsustainable for our organization and many of our partners.

The Oregon Nonprofit Modernization Act can make a difference to my nonprofit and the communities we serve by eliminating reimbursement as a form of payment for grants, requiring disbursement of contract funds within 30-days of signed contract, requiring a de minimis administrative rate of 10% or higher, and many other benefits.

We call on you to join us in supporting this innovative measure to modernize our nonprofit contracting practices. Please don't hesitate to reach out if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Brandi Tuck".

Brandi Tuck
Executive Director
Path Home