



March 6, 2023

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

Dear Committee Members:

RE: SB 606 - Oregon Nonprofit Modernization Act

Centro Cultural 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.

Centro Cultural is the oldest and longest-serving Latino culturally-specific organization in the state of Oregon. Centro was founded 50 years ago by a group of 14 migrant families who believed in creating a vibrant and cohesive society, shared, valued, and open for community members from different ethnicities and backgrounds. Since then, Centro serves as a safe place for our local Latino community, low-income migrant farmworkers, immigrant refugee communities, and all who come to our doors. Our mission is to be a home for Latino cultures, serving the needs of our diverse community by promoting personal growth and empowerment. With the main purpose of creating lasting change for families of color and low-income individuals, stimulating systems change, and working with key stakeholders to reduce barriers and provide essential resources and services for the families we serve. Ever since our founders decided to begin this journey in 1972, Centro has continued to grow to ensure our community members thrive, working with regional, state, county, and city-wide agencies to advocate for more resources and equitable systems change to support communities of color. Centro's roster of programs seeks to disrupt systemic oppression and racism while converting our clients into agents of change.



Centro has refocused some of our efforts toward upstream work. This shift ensures that our organization is doing the necessary work to create systems change for the communities we serve. Centro's Policy Department works on upstream issues like criminal justice, consumer justice, economic opportunity, housing laws, and more. Part of the work of the Policy Department is convening the Latino Policy Council (LPC), a coalition of Latino leaders organized to advocate and demand change from local governments.

The current structure of government contracting could be more manageable for nonprofits. Nonprofits are asked to take on a significant fiscal responsibility when working with the government to provide essential services to Oregonians. This way of conducting business can not be how nonprofits continue to operate because of the many risks nonprofits take when "floating" is the norm. Creating the Nonprofit Workforce Retention Fund to provide grants to nonprofits would support staffing, which would help eliminate high turnover rates. The work nonprofits do is very emotionally and mentally trying and is built by establishing trust within our community. Establishing such a fund would help maintain consistent staffing and lower employee turnover, and most importantly, it would preserve the reputations of the nonprofit work in our communities. We urge the Senate Human Services Committee to make a concerted effort to support nonprofits by making government contracting much more streamlined and accessible to all the nonprofits serving Oregonians. We must act now on behalf of all Oregonians to continue helping those who need our services. Nonprofit organizations need you to act NOW because the nonprofit industry needs it.

The Oregon Nonprofit Modernization Act can make a significantly positive difference to Centro Cultural and the communities we serve by:

- 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)

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

Thank you.

Sincerely,

Nansi Lopez, Policy Director for Centro Cultural