

March 6, 2023

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

Dear Committee Members::

RE: SB 606 - Oregon Nonprofit Modernization Act

My name is Colin K. Crader II (he/his), I'm the Executive Director of Willamette Valley Development Officers (WVDO). WVDO 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.

WVDO is a nonprofit membership organization serving the nonprofit sector for over 46 years. Our membership consists of over 2000 individuals and has trained in excess of over 30,000 nonprofit fundraisers, executive directors and board members raising funds for nonprofit organizations throughout Oregon and SW Washington by linking them with others in the development community and providing affordable opportunities for their professional growth and education. Our approach is that we learn together, we support one another, and improve nonprofits and the communities we serve. We are also known for incorporating cutting-edge conversations, curriculum, and business practices to address racial inequities facing the nonprofit sector.

Government grant funding has always been a problematic source of revenue for most nonprofits, and in recent years the problems have only worsened and are on track to stay that way unless we vote to pass SB 606.

Since the beginning of the pandemic, nonprofit organizations, especially culturally-specific organizations, have responded to the State of Oregon's need to reach and even more deeply support the communities they serve. Many of these same organizations are seeking technical assistance to build their long-term sustainability, and to <u>help secure federal and state resources</u> to support Oregon's people, places and prosperity. Many of these nonprofits are under-resourced and understaffed, yet the reliance on these organizations in supporting an array of wealth-building services for under-resourced individuals has only increased. Examples of these services include cross-sector workforce development, housing, postsecondary and trades support, mentoring, childcare, mental and physical health and more.



The nonprofit sector is undervalued in the role it plays in economic opportunity - not only are hundreds of aforementioned services led by or reliant on nonprofits, but nonprofit professionals themselves represent a significant workforce; and they are hurting. They need changes as proposed by Senate Bill 606 that address workforce turnover, late payments, low administrative rates, burdensome reporting, and overly complex applications.

State of Oregon grant programs are impactful, but they should also consider how to take into account the health of the organization as a whole. By including a minimum 10% administrative rate, and by removing the reimbursement payment structure and disbursing funding within 30-days that SB 606 plans to change, our nonprofits will be able to focus on impact without the worries of whether or not they will retain staff (or be paid in the first place), and if they can keep "the lights on" as part of conducting their business.

I strongly urge you to pass SB 606. The bill is a great first step to strengthening the nonprofit sector, and the sector knows that it will have a dramatic and immediate impact on the quality and scale of services that it is able to provide to communities across our state in partnership with State of Oregon programs. Please don't hesitate to vote yes, and to contact me if you have any questions.

Thank you.

Sincerely, Colin K. Crader II (he/his) Executive Director, Willamette Valley Development Officers <u>colin@wvdo-or.org</u> | 503-314-9166