



April 13, 2023

To the Joint Committee on Ways and Means:

**RE: SB 5506 – public written testimony**

Thank you for giving me the opportunity to speak to you on April 8 at the Ways & Means "Roadshow" at Portland Community College. On behalf of Impact NW, we are asking you to pass SB 606, the Oregon Nonprofit Modernization Act. Your support is critical to the health of the nonprofit sector and the communities we serve.

Impact NW has been in the community for nearly 60 years working on our community's most pressing needs. Our mission is to prevent homelessness. In doing so, we work with 22,000 people a year in the Portland-Vancouver area with stabilizing and strengthening services to keep people housed. Our staff are on the frontlines of the housing and homelessness crisis, and pandemic recovery to help people access services such as housing, rental and energy assistance, other basic needs, and upstream supports so they can thrive.

The State has a responsibility to provide a safety net for the public. Never has that responsibility been more urgent. The State fulfills this responsibility by contracting with nonprofits. But it's not properly funding them, and by extension not living up to its responsibility. Many of the bills being advocated for this legislative session are dependent on grants and contracts with the nonprofit sector. If we don't address the underlying issues facing the sector, including underinvestment and administrative burden, we are not setting up any of these programs for success. To deliver on these contracts, Oregon's nonprofits need more support from the State for workforce recruitment and retention.

To all of our disadvantage, nonprofits face a daunting barrier to fulfilling our essential role on behalf of the state. Nonprofits cannot exist without nonprofit employees, and nonprofit employees have an incredibly high rate of burnout and turnover. Due in part to the current structure and requirements of state contracts, nonprofit employees are leaving the sector to seek higher pay and better benefits elsewhere.

The need to invest in the sector is now. Investment this year will improve our ability to recruit and retain staff for the pressing priorities that have been put forward by the Governor. By supporting Oregon's nonprofits, you support the well-being of Oregonians. Please pass Senate Bill 606 and invest in the sector that you are so dependent upon for the state's success.

Thank you for your consideration,

Andy Nelson  
Executive Director, Impact NW