

Date: March 14, 2019

To: House Committee on Veterans and Emergency Preparedness Re: The Nonprofit Association of Oregon (NAO) supports the passage of HB2208

NAO is a registered 501(c)(3) nonprofit organization representing our 1,300 Oregon nonprofit organizations and affiliate members, but also the charitable nonprofit sector broadly. Our members are located across the state and come from all areas that serve our communities, including education, health and human services, the arts, and environmental protection. NAO's mission is to strengthen the collective voice, leadership and capacity of Oregon nonprofits to enrich the lives of all Oregonians. More information about our programs and services can be found at <u>www.nonprofitoregon.org</u>.

In 2018, NAO partnered with Portland State University to conduct a survey and prepare a report on Oregon Nonprofit Disaster Preparedness. I am submitting a copy of the full report for your information. The report focused on the disaster readiness of charitable nonprofits because they serve as "critical civic infrastructure" that is essential for the delivery of a range of social services. Services that are key to the livelihood of both young and elderly, the disabled, those suffering from debilitating illnesses, and those living in poverty within our communities. Nonprofits serve the most vulnerable in our communities and strive to fill gaps in our social services mobilizing donated time and dollars for public good, they often are contracted to provide public social services that cannot or are not provided by government.

In disaster preparedness, there is a focus on protecting critical infrastructure – the physical systems that provide support, life safety, and public health. Infrastructure is usually understood as the "hard" systems our communities rely on: water and wastewater utilities, electricity, transportation, communication, and hospitals for example. Nonprofits serve the same role and are also critical civic infrastructure, but receive far less attention and funding in planning for disaster and continuity of operations. Importantly, nonprofits are already embedded in our communities and can mobilize thousands of volunteers quickly for response and recovery. Unfortunately, our report found that their capacity for disaster resilience requires additional investment and development. Major or catastrophic disasters like the Cascadia Subduction Zone (CSZ) earthquake, flooding, frequent wildfires, and landslides would cause significant disruption in provisions of critical services.

The report found that half of the nonprofits surveyed (63 out of 124) operate from older buildings built before 1974. Of these 63, a little over half (37) have property and building insurance, and only 8 organizations have earthquake insurance. While 19 nonprofits in this study were unsure when the buildings they operate in were constructed, only 23 nonprofits are operating in relatively newer facilities built after 1993. Of these 23 nonprofits, 17 have property or building insurance, and 10 have earthquake insurance.

The survey also found that only 15 out of 136 nonprofits (11%) in our study have retrofitted their buildings for earthquakes over the last two years or more, 98 (72%) have never done so, and 23 were unsure. Out of the 63 buildings built prior to 1974, only 9 were retrofitted for earthquakes. Of the 19 buildings that were built between 1974 and 1993, 15 have never been retrofitted; 4 organizations were unsure. Finally, of the 23 buildings built after 1993 only 5 were retrofitted. These findings suggests that many nonprofits in this study would sustain significant damage to their facilities or buildings in the event of a major earthquake. This damage would be exacerbated by the fact that most nonprofits in this study (63 out of 124), as noted above, operate from older buildings built before 1974.

NAO believes that HB2208 is an important step in assisting public charities in Oregon, many of whom operate with minimal staff and tight budgets, to retrofit critical community assets to an acceptable resiliency level.

NAO supports the passage of HB2208.

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James White, Executive Director