



4110 SE Hawthorne Boulevard #503 | Portland, Oregon 97214
Admin (503) 222-6507 | **24-hour Hotline** (503) 222-6222
We believe that everyone deserves to live a life free from violence.

March 4, 2023

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

Dear Committee Members:

RE: SB 606 - Oregon Nonprofit Modernization Act

On behalf of Raphael House of Portland, along with our team of advocates who work tirelessly to help survivors of domestic violence find safety each day, I am asking you to pass SB 606, the Oregon Nonprofit Modernization Act. Your support is critical to the health of the nonprofit sector and all the communities we serve throughout Oregon.

Raphael House of Portland has been a safe haven for survivors of domestic violence for 45 years. We proudly help families find the long-term safety, stability, and independence they deserve—while also working to prevent future abuse through education. Each year, our programs reach more than 4,229 survivors and community members throughout the Portland Metro area.

Despite our long-standing commitment to our mission and our community, we – like other nonprofits throughout the state – struggle with a system that does not acknowledge the complexities and necessities of nonprofit business. The way we are currently funded limits us in reaching our full potential, and more so, this method of funding has become truly unsustainable. Each of our organizations are experiencing employee turnover; our work is hard, traumatic, and at times risky, and we cannot pay our staff enough for them to justify their passion for the mission, especially as cost of living continues to vastly increase. We have additionally been burdened with very low administrative rates that do not reflect the true cost of providing services, late payments that cause financial strain, and redundant reporting requirements that unnecessarily divert staffing resources.

It is my belief that these are holdovers from when nonprofits were primarily grassroots and volunteer operated. For many years since, funding has stagnated and not kept up with other industries' in offering a living wage, nor reflected the true costs required to operate. Yet despite this, we have been held to ever greater standards to meet funders' expectations. Raphael House, along with our fellow nonprofits, have professionalized and continued to grow to meet

the needs of the most vulnerable in our communities – and have all the while held ourselves accountable to the demands of funding sources.

We are the State’s safety net and we are in crisis. We need to be able to hire, train, and retain the skilled and passionate people who make our essential work possible. We need to be able to nimbly work through grant expectations, be paid in a timely fashion, and be compensated for all that goes into providing these critical services and programs.

SB 606 will address these long-standing challenges and allow nonprofits’ to effectively achieve our missions and thrive – benefiting every community in our State – by:

- Increasing the de minimis administrative rate to higher than 10%, to match the true cost of providing and administering services.
- Eliminating reimbursement as a form of payment for state grants, so that nonprofits aren’t burdened and limited by having to put up funds in advance of delivering services.
- Requiring disbursement of contract funds within 30-days of a signed contract.
- Creating the Nonprofit Workforce Retention Fund to provide grants to nonprofits that will help prevent employee turnover, which is ultimately more expensive and also detrimental to essential community services, and maintain staffing levels.
- 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.

Raphael House of Portland greatly appreciates your consideration of SB 606, and we thank you for the opportunity to testify. Please don’t hesitate to contact us if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Emmy Ritter', with a long horizontal line extending to the right.

Emmy Ritter, LCSW (she/her)
Executive Director
Raphael House of Portland
eritter@raphaelhouse.com
(503) 243-5119