



March 19, 2025

Senator Floyd Prozanski
Representative Lisa Fragala
Oregon Legislature
900 Court Street NE
Salem Oregon 97301

RE: Senate Bill 602 - Task Force on Modernizing Nonprofit Grant Funding and Contracting Recommendations

Dear Senator Prozanski and Representative Fragala

Farmers Market Fund joins with Oregon's nonprofits to ask you to support the [recommendations of the state Task Force on Modernizing Grant Funding and Contracting](#) by passing **Senate Bill 602**. The recommendations are designed to improve the process and outcomes of government grants and contracts by empowering nonprofits to deliver critical services efficiently and cost effectively to Oregonians.

Farmers Market Fund is a community-based nonprofit organization that is focused on making healthy, locally grown food accessible to under-served Oregonians. We do this through our Double Up Food Bucks program, which matches the value of SNAP benefits at farmers markets, farm stands, CSAs, and grocery stores. A vast majority of our Double Up program is supported by federal and state funds.

Our organization has been receiving a state appropriation for Double Up since 2019 and has experienced multiple delays and issues regarding contracting and funding. In the first year we received funding it took over 6 months to get our contract in place and funds to be sent, creating significant cash flow concerns as we began to implement the program. We were told that contracting would be easier in future years because we would just have amendments to our base contract, but there have continued to be issues and delays. Most recently, we received a state appropriation from the 2023 biennium and it took until late April of 2024 to receive the contract and funds, even though we were notified of award in August 2023.

Senate Bill 602, if enacted, improves and streamlines how government grants and contracts are structured and administered. The Bill would make important changes such as:

- o Requires agencies to track rates of on-time payments of invoices to ensure they meet the payment schedule agreed to in the contract or grant agreement.
- o Updates all necessary ORS/OARs to encourage state agencies comply with the federal OMB guidelines for administrative rates ([2 CFR 200](#)), which mandate that contracts include either a de minimis standard (currently set at 15%) or the organization's approved negotiated indirect cost rate agreement (NICRA).
- o Encourages COLA/inflation adjustments for contracts or grants if the contract exceeds 12 months or longer.



- o Creates an office of nonprofit partnership and establishes a nonprofit advisory council to oversee service improvements, implementation, and compliance.
- o Ensures that the cost of reporting and insurance requirements in contracts and grant agreements is covered by the indirect rate/NICRA sufficiently.)

All of these provisions would improve the state contracting system for our small nonprofit. To review all of the task force's findings and recommendations, we encourage you to read the full [report](#).

We hope that we can count on your leadership in guiding the passage of Senate Bill 602. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Rachael Ward".

Rachael Ward, Executive Director
85248 Christensen Rd Eugene, OR 97405

Farmers Market Fund
Serving the entire state of Oregon