



HOUSING SENIORS | CREATING HOPE | PILOTING CHANGE

April 1, 2025

Senator Lisa Reynolds
Representative Shannon Isadore
Oregon Legislature
900 Court St NE
Salem, OR 97301

RE: Support for SB 602 - Task Force on Modernizing Nonprofit Grant Funding and Contracting Recommendations

Dear Senator Reynolds and Representative Isadore,

Northwest Pilot Project 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 SB 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.

Northwest Pilot Project (NWPP) is a social service agency with over five decades of experience in providing housing stabilization services to low and very low-income older adults, age 55 and over, experiencing or at risk of homelessness in Multnomah County. As a nonprofit service provider in the social and human services sector, NWPP's work is critical to older adults in Multnomah County because we are the only provider of senior-focused housing placement services. Multnomah County does not directly provide the services we do; they contract with us to do so because we are the experts in this area.

However, nonprofit organizations must secure funding from grant awards, individuals, business, and government contracts. Fundraising and contract management are time consuming and expensive. Having a unique stream of revenue, however, does not mean nonprofit organizations receive any unique exemptions from labor laws, IRS payroll rules, ADA compliance, etc. Nor do we get significant discounts or donations for rent, insurance, and other required management expenses. Employee compensation and benefits are the biggest cost center for nonprofit organizations, just as with for

profit businesses. Nonprofits like NWPP need SB 602 to make access to and use of government funds more efficient and less costly.

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

- Encourage cost estimates for ongoing nonprofit grants or contracts in the budget development process to inform budget decisions made by the executive and legislative branches;
- Encourage state agencies to make advance payments for grant funds equivalent to one-quarter of the annual contract value at the start of each new fiscal year for both new and ongoing contracts and grants; and
- 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.

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 SB 602. Thank you for your time and consideration.

Sincerely,

Yoni Kahn
Advocacy Director
Northwest Pilot Project

Cc Senate Rules Committee