

April 9<sup>th</sup>, 2025

Senate Committee on Rules  
900 Court Street NE  
Salem Oregon 97301

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

Dear Chair Jama, Vice-Chair Bonham, and Members of the Committee,

Project Access NOW 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.

Project Access NOW is a community-based organization that provides health and health-related resources across the state of Oregon in pursuit of our mission to create equitable access to whole person care and social services.

Our organization has experienced numerous challenges with the state of grants and contracts in Oregon, ranging from the difficulty of meeting inconsistent reporting requirements across different state agencies to a lack of advance funding to maintain the financial stability of programs and projects.

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:

- 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.
- Initiate steps to create a new set of ORS with OAR's specifically for grants. This will streamline Oregon's grants management by promulgating a uniform set of guidance for state agencies to follow and allowing for advance payments.
- Initiate steps to create a centralized statewide grant management database to integrate procurement and program management workflows, store organizational information (organizational profile) and application details, and operate as a repository for reports and training materials.

- 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).
- Encourages COLA/inflation adjustments for contracts or grants if the contract exceeds 12 months or longer.

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,

Peter Merritt  
Public Affairs Manager  
Project Access NOW