

Date: April 9, 2025

To: Senate Committee on Rules Members From: Nansi López, Policy Director for Centro Cultural RE: Support Senate Bill 602

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

Thank you for the opportunity to submit testimony in strong support of SB 602. My name is Nansi López, Policy Director for Centro Cultural.

Centro Cultural is the oldest and longest-serving Latino culturally-specific organization in Oregon. Centro was founded 50 years ago by 14 migrant families who believed in creating a vibrant and cohesive society that is shared, valued, and open for community members from different ethnicities and backgrounds. Since then, Centro has served as a safe place for our local Latino community, low-income migrant farmworkers, immigrant refugee communities, and all who come to our doors. Our mission is to be a home for Latino cultures, serving the needs of our diverse community by promoting personal growth and empowerment.

Centro Cultural 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.

As a trusted partner to the State and the communities we serve throughout Washington County and beyond, we urgently rely on government grants and contracts to sustain and expand the work our communities desperately need.

Our organization has experienced delayed payments from the State, which affects the cash flow. We have several contracts that are set-up for billing on a quarterly basis and this puts stress on our systems. For example, the 2nd quarter billing (Oct24-Dec24), we submitted invoices in January and payment was not made until February. 120 days is a long time to be reimbursed for work done in October. Timely payments are vital for stability and ensure we can meet payroll, vendor obligations, and program commitments, and most importantly serve Oregonians who need our services.



Senate Bill 602, if enacted, would improve and streamline the structure and administration of government grants and contracts. The bill would make important changes, such as encouraging 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.

In closing, nonprofit organizations are indispensable partners in meeting the State's public goals. By supporting SB 602, we can significantly strengthen the nonprofit sector and ensure that we have a strong workforce to keep up with Oregonians' needs. Together, we can serve Oregonians better.

Thank you for your leadership and support. I urge you to unanimously support SB 602, a bill that is crucial for those doing the work and those reserving a much-needed service in our communities.

Sincerely,

Nansi López, Policy Director for Centro Cultural

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