



April 7, 2025

The Honorable Rob Wagner
Senate President
Oregon Legislature
900 Court Street NE
Salem, Oregon 97301

RE: Support for Senate Bill 602 - Nonprofit Modernization Act

Dear Senate President Wagner,

On behalf of New Narrative, I'm reaching out to express our strong support for Senate Bill 602, the Nonprofit Modernization Act, and the [recommendations of the state Task Force on Modernizing Grant Funding and Contracting](#). These recommendations are designed to make government grants and contracts more effective and efficient, empowering nonprofits like ours to deliver critical services in a more streamlined way to Oregonians.

New Narrative is a leader in providing high-acuity, community-based mental health services, serving over 2,000 people each year at over 40 sites in the Portland Metro area. We support individuals through an integrated model offering clinical services, housing, and peer support. But like many nonprofits, we've faced ongoing challenges when partnering with state agencies because of outdated and fragmented grantmaking and contracting processes.

For years, we've dealt with delays in payments, inconsistent administrative processes, and excessive reporting requirements that slow down our ability to serve our clients. These issues are worsened by the lack of cost-of-living adjustments (COLA) in long-term contracts, along with systems that don't track or ensure the timely payment of invoices. All of this has made it harder to recruit and retain skilled staff, contributing to the workforce shortage in the nonprofit sector.

SB 602 offers a much-needed solution by:

- Supporting the Task Force's recommendation to encourage cost estimates for ongoing nonprofit contracts to ensure realistic budgeting.
- Facilitating advance payments to nonprofits, which would help with cash flow and ensure we can continue delivering services without interruptions.
- Streamlining administrative processes to comply with federal guidelines for indirect cost rates, allowing nonprofits to cover necessary operational costs.
- Establishing a centralized statewide grant management system to reduce inefficiencies and redundancies across state agencies.



The improvements in SB 602 are particularly important for New Narrative, where the demand for our services -- critical to supporting individuals with severe and persistent mental illness -- continues to grow. However, the administrative burdens tied to outdated grant and contract processes are a major barrier to efficiently delivering those services.

I urge you to support Senate Bill 602 and the [Task Force's recommendations](#), which are key to ensuring Oregon's nonprofit sector remains a trusted partner in tackling the state's most urgent challenges. Thank you for your attention to this issue. I look forward to your leadership in passing this essential legislation.

Sincerely,

Julie Ibrahim, CEO

Cc: Senate Rules Committee