## 74<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2008 Special Session STAFF MEASURE SUMMARY

**MEASURE:** 

Carrier – House: Rep. Nolan Carrier – Senate: Sen. Johnson

HB 3607-B

### Joint Committee on Ways and Means

# Revenue: No revenue impact Fiscal: Fiscal statement issued Action: Do Pass the A-Engrossed Measure as Amended and Be Printed B-Engrossed Vote: 18 – 0 – 1 House – Yeas: Galizio, Hanna, Jenson, Morgan, Nathanson, Nolan, Shields, P. Smith – Nays: – – Exc: D. Edwards Senate – Yeas: Bates, Carter, Gordly, Johnson, Monroe, Nelson, Schrader, Verger, Whitsett, Winters

- Nays:
- Exc:

Prepared By:Paul Siebert, Legislative Fiscal Office

Meeting Date: February 21, 2008

**WHAT THE MEASURE DOES:** The bill allows the Oregon Cultural Trust unrestricted use of proceeds from the sale of Cultural Trust license plates for marketing and promotional costs to increase the amount of money generated for the Trust for Cultural Development Account. This exception is operative for only one year beginning July 1, 2008. Under ORS 359.426, only 7.5 percent of the total amount disbursed each year from the Trust for Cultural Development Account may be used for administration of the Oregon Cultural Trust. Administrative costs include expenditures for marketing designed to increase contributions to the Cultural Trust.

## **ISSUES DISCUSSED:**

- Need for additional marketing and promotion expenditures to increase donations
- One year challenge to prove more one can be raised

# EFFECT OF COMMITTEE AMENDMENT: Replaces the bill.

**BACKGROUND:** The Oregon Cultural Trust has the authority to raise funds through: 1) soliciting gifts from citizens who qualify for a tax credit if they make a matching gift to a cultural non-profit in the same tax year; 2) the sales of a cultural license plate; and 3) transfer of surplus state assets to the Trust.

By law, 58 percent of what it raises each year from these sources remains in the permanent Trust for Cultural Development Account. The remaining 42 percent is distributed to the trust for use that year. Of the 42 percent, the Trust is allowed to use 7.5 percent for administration. The Oregon Cultural Trust indicates that the 7.5 percent now allowed for administration is not sufficient to support the scope of marketing required to grow the fund.