

HB 4040 STAFF MEASURE SUMMARY

House Committee On Economic Recovery and Prosperity

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/9

WHAT THE MEASURE DOES:

Appropriates \$50 million to the Oregon Business Development Department (Business Oregon) to provide grants to Oregon cultural organizations that experienced significant revenue loss because of the COVID-19 pandemic between February 29, 2020 and January 1, 2022. Reserves 60 percent of the money for Oregon cultural organizations that operate cultural venues, performing arts organizations, and museums and 40 percent of the money for Oregon cultural organizations that operate cultural support businesses. Sets criteria for awarding grants. Allows Business Oregon to withhold up to 5 percent of the funding as reimbursement for actual costs associated with developing and implementing the program. Creates definitions. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

During the COVID-19 pandemic many organizations and businesses in Oregon have experienced significant losses in revenue. In response, the federal government and Legislative Assembly have implemented a number of grant programs including those to provide commercial rent relief and assistance with operational costs. Museums, theaters, and other live event venues have also been eligible for more specific support, both through the federal Shuttered Venue Operators Grant programs as well as direct state funding. Currently, the Oregon Business Development Department (Business Oregon) is implementing a \$50 million program to assist independent movie theaters, live venues, and live venue support businesses. The first part of the program, a \$5 million grant program for independent movie theaters, opened for applications on January 24, 2022. The application period for live venues and live venue support businesses is expected to open later in 2022.

House Bill 4040 provides an additional \$50 million from the general fund for the 2021-23 biennium to support Oregon cultural organizations that suffered significant revenue loss due to the COVID-19 pandemic.