

Requested by Representative NOSSE

**PROPOSED AMENDMENTS TO
HOUSE BILL 4040**

1 On page 1 of the printed bill, delete lines 4 through 30 and delete page
2 2 and insert:

3 **“SECTION 1. There is appropriated to the Oregon Business Devel-
4 opment Department, for the biennium ending June 30, 2023, out of the
5 General Fund, the amount of \$50,000,000 for the purpose of carrying
6 out the provisions of sections 2 and 3 of this 2022 Act.**

7 **“SECTION 2. As used in sections 2 and 3 of this 2022 Act:**

8 **“(1)(a) ‘Earned revenue’ means income from the sales of goods or
9 services, including, but not limited to, admission tickets, rentals,
10 merchandise, food and beverages, advertising and contracted services
11 and performances.**

12 **“(b) ‘Earned revenue’ does not include other sources of income,
13 including, but not limited to, donations, federal, state and local gov-
14 ernmental grants or returns on investments.**

15 **“(2) ‘Oregon cultural organization’ means a public or private entity,
16 whether operated for profit or as a nonprofit, that:**

17 **“(a) Has its business headquarters, and operates primarily, in this
18 state;**

19 **“(b) Operates primarily for the purpose of producing, promoting or
20 presenting the arts, culture, humanities, heritage or live cultural
21 entertainment, other than adult entertainment, to the public; and**

1 “(c)(A) Operates as a public facility, performing organization, mu-
2 seum, historical site, visual arts organization; or

3 “(B) Produces cultural projects or programs for the public.

4 “(3) ‘Oregon cultural support business’ means a private entity,
5 whether operated for profit or as a nonprofit, or an independent con-
6 tractor, that:

7 “(a) Professionally supports Oregon cultural organizations;

8 “(b) Has its business headquarters, and operates primarily, in this
9 state; and

10 “(c) Operates primarily to provide the services of a musician,
11 lighting designer or operator, makeup artist or hair stylist, cultural
12 content provider, historic preservationist, archivist or other inde-
13 pendent artist or cultural support contractor.

14 “SECTION 3. (1) The Oregon Business Development Department
15 shall develop and implement a program for awarding grants directly
16 to Oregon cultural organizations and Oregon cultural support busi-
17 nesses.

18 “(2)(a) To be eligible for a grant, an Oregon cultural organization
19 must demonstrate to the department’s satisfaction that, at any time
20 after February 29, 2020, and before January 1, 2022, the organization
21 experienced a significant loss in earned revenue because of statewide
22 mandates, or guidance of the Oregon Health Authority, in response to
23 the COVID-19 pandemic.

24 “(b)(A) To be eligible for a grant, an Oregon cultural support busi-
25 ness must demonstrate to the department’s satisfaction that:

26 “(i) In fiscal year 2019 at least 75 percent of the business’s total
27 earned revenue derived from cultural support activities; and

28 “(ii) The business sustained a significant loss of earned revenue in
29 the period beginning after February 29, 2020, and before January 1,
30 2022, from the cancellation or nonrenewal of agreements to provide

1 services to Oregon cultural organizations.

2 “(B) An Oregon cultural support business’s loss is eligible only with
3 respect to earned revenue directly related to the business’s profes-
4 sional support of Oregon cultural organizations.

5 “(3)(a) The department shall prescribe the form and process by
6 which Oregon cultural organizations and Oregon cultural support
7 businesses may apply for and be awarded grants under the program.

8 “(b) For purposes of reviewing applications, the department may
9 require applicants to demonstrate need, as described in subsection (4)
10 of this section, in the form of:

11 “(A) The organization’s or business’s federal tax return for the pe-
12 riods to which the application relates; and

13 “(B) Financial documentation, including, but not limited to, audited
14 financial statements or financial statements that have been approved
15 by a certified public accountant.

16 “(4) The department shall develop an equitable funding allocation
17 so that grant moneys shall be awarded, subject to subsections (5) to
18 (7) of this section, with priority given according to the greatest ratio
19 of an applicant’s total lost earned revenue to the applicant’s total
20 earned revenue for each fiscal year, beginning with fiscal year 2019,
21 to which the application relates.

22 “(5) Subject to subsections (6) and (7) of this section, the depart-
23 ment shall develop award allocation options that take into account an
24 equitable percentage of an applicant’s fiscal size and eligible loss and
25 available funding.

26 “(6) Subject to subsection (7) of this section, grant moneys shall be
27 awarded proportionately among the geographic regions of this state,
28 as defined by the department, based on the relative population, and
29 the eligible applications received from Oregon cultural organizations
30 and Oregon cultural support businesses located, in each region.

1 **“(7) Grant moneys shall be awarded in the following proportions:**

2 **“(a) No less than 60 percent and no more than 80 percent to Oregon**
3 **cultural organizations; and**

4 **“(b) No less than 20 percent and no more than 40 percent to Oregon**
5 **cultural support businesses.**

6 **“(8) Before awarding grants, the department may withhold an**
7 **amount not to exceed five percent of the total amount appropriated**
8 **under section 1 of this 2022 Act to reimburse the department for the**
9 **actual costs of developing and implementing the program.**

10 **“(9) Notwithstanding any other provision of law, this section shall**
11 **apply to any grant moneys that the department awards to an Oregon**
12 **cultural organization or an Oregon cultural support business on or**
13 **after the effective date of this 2022 Act in response to the negative**
14 **impact of the COVID-19 pandemic on the organization’s business.**

15 **“SECTION 4. (1) Sections 2 and 3 of this 2022 Act become operative**
16 **on July 1, 2022.**

17 **“(2) Notwithstanding the operative date specified in subsection (1)**
18 **of this section, the Oregon Business Development Department may**
19 **take any action before the operative date specified in subsection (1)**
20 **of this section that is necessary for the department to exercise, on and**
21 **after the operative date specified in subsection (1) of this section, all**
22 **the powers, duties and functions conferred on the department under**
23 **sections 2 and 3 of this 2022 Act.**

24 **“SECTION 5. This 2022 Act being necessary for the immediate**
25 **preservation of the public peace, health and safety, an emergency is**
26 **declared to exist, and this 2022 Act takes effect on its passage.”.**

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