

## HB 2498 A STAFF MEASURE SUMMARY

### House Committee On Emergency Management, General Government, and Veterans

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**Action Date:** 03/16/23

**Action:** Do pass with amendments and be referred to Ways and Means by prior reference.  
(Printed A-Eng.)

**Vote:** 4-3-0-0

**Yeas:** 4 - Dexter, Evans, Grayber, Tran

**Nays:** 3 - Conrad, Hieb, Lewis

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

**Prepared By:** Patrick Brennan, LPRO Analyst

**Meeting Dates:** 2/14, 3/16

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#### WHAT THE MEASURE DOES:

Creates the Cultural Impact Program. Provides federally recognized Indian tribes and counties with grant funds to distribute locally, as specified within a local cultural plan, to cultural organizations that serve residents and visitors in the county, or members of the tribe, for purposes of advancing, preserving, or stabilizing those organizations. Creates the Trust for Cultural Impact Account and authorizes the issuance of \$200 million in lottery bonds for deposit in the account, to be used to provide grants to cultural organizations. Declares emergency, effective July 1, 2023.

#### ISSUES DISCUSSED:

- Previous proposals for funding for arts programs
- Role of cultural activities in communities
- Oregon ranks 36th in public support for arts and culture
- Cost and magnitude of program

#### EFFECT OF AMENDMENT:

Replaces distribution of interest and investment earnings to counties and tribes on per capita basis with a process that takes into account population and the number and size of cultural organizations that serve residents and visitors of the communities. Deletes language related to grant awards with provision requiring creation of a rules advisory committee to advise the Trust for Cultural Development Board on developing rules for process, standards and criteria for awarding grants. Replaces provision constantly appropriating moneys in Trust for Cultural Impact Account to Oregon Business Development Department with provision authorizing State Treasurer to discretely invest moneys in account as described in ORS 293.701 to 293.857.

#### BACKGROUND:

The Legislative Assembly established the Oregon Cultural Trust in 2001 to utilize tax credit donations to fund cultural programs throughout Oregon. The Trust currently operates three grant programs to fund five statewide partners, 45 county and tribal coalitions, and qualified cultural nonprofits through competitive Cultural Development Grants. Oregonians gave approximately \$5.2 million to the Cultural Trust in 2020, of which 60 percent was disbursed as grants and 40 percent was allocated to grow the permanent fund. The Oregon Cultural Trust is governed by the 12-member Trust for Cultural Development Board.

House Bill 2498 A establishes a Cultural Impact Program, to be administered by Arts Program Administrator of the existing Trust for Cultural Development Board to provide ongoing support for cultural organizations throughout Oregon. The measure authorizes issuance of lottery bonds to produce \$200 million to seed the program, and

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authorizes the board to disburse the moneys in the form of grants to qualifying organizations.