

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3532**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Allows Arts Program to use up to five percent of value of Trust for Cultural Development Account for certain administrative purposes.

Government Unit(s) Affected:

Oregon Business Development Department

Summary of Fiscal Impact:

Costs related to the measure are indeterminate but anticipated to be minimal at this time - See explanatory analysis.

Analysis: The measure removes the annual administrative spending cap of \$400K from the Trust for Cultural Development Account, replacing that cap with permissive language allowing the Trust Board to distribute up to 5% of the value of the account to the Arts program at the Oregon Business Development Department for program administration. The overall fiscal impact is indeterminate based on the financial performance of the Trust Fund and future decisions by the Trust Board.

Currently, of the total revenues to the Trust for Cultural Development Account, the Trust Board is required to distribute between 50% and 60% of the funds, less an amount up to \$400,000 for the operations of the trust, for cultural grants, support to counties and tribes through cultural participation grants and to core partner agencies. The remaining amount is allocated to the permanent fund.

There is a policy package included in the requested budget for the Oregon Business Development Department that is related to this change. The Legislative Fiscal Office notes that although the change contemplated in the measure could result in additional available funding for administrative costs of the program, the degree to which that funding is made available is entirely dependent on the distribution decisions that would be available to the Trust Board should the legislation be adopted.