

A-Engrossed
House Bill 2498

Ordered by the House March 23
Including House Amendments dated March 23

Sponsored by Representative NOSSE; Representative DEXTER (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Creates Cultural Impact Program. Provides federally recognized Indian tribes and counties with grant funds to distribute [*locally, as specified in local cultural plan, to cultural organizations that serve residents of and visitors to their county or members of their tribe for purposes of advancing, preserving or stabilizing those organizations*] **in accordance with rules adopted by Trust for Cultural Development Board after consultation with advisory committee.**

Authorizes issuance of \$200 million in lottery bonds for deposit in Trust for Cultural Impact Account to be used to provide grants to cultural organizations.

Declares emergency, effective July 1, 2023.

A BILL FOR AN ACT

1
2 Relating to the Cultural Impact Program; creating new provisions; amending ORS 359.400, 359.416
3 and 359.421; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 359.400 is amended to read:

6 359.400. As used in ORS 359.400 to 359.444:

7 (1) "Community Cultural Participation Grant Program" means the program created by ORS
8 359.436.

9 (2) "Core partner agencies" means the Oregon Arts Commission, the Oregon Council for the
10 Humanities, the Oregon Heritage Commission, the Oregon Historical Society and the State Historic
11 Preservation Officer.

12 (3) "Cultural Development Grant Program" means the program created by ORS 359.431.

13 (4) **"Cultural Impact Program" means the program created by section 3 of this 2023 Act.**

14 [(4)] (5) "Cultural organization" means:

15 (a) An entity that is:

16 (A) Exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code; and

17 (B) Organized primarily for the purpose of producing, promoting or presenting the arts, heritage
18 and humanities to the public or organized primarily for identifying, documenting, interpreting and
19 preserving cultural resources.

20 (b) A federally recognized Indian tribe.

21 [(5)] (6) "Trust for Cultural Development Account" means the account established by ORS
22 359.405.

23 (7) **"Trust for Cultural Impact Account" means the account established by section 4 of**
24 **this 2023 Act.**

25 **SECTION 2. Sections 3 and 4 of this 2023 Act are added to and made a part of ORS 359.400**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 to 359.444.

2 **SECTION 3.** (1) There is created the Cultural Impact Program to be administered by the
3 Administrator of the Arts Program under the direction of the Trust for Cultural Develop-
4 ment Board.

5 (2) The purpose of the program is to provide ongoing financial support of Oregon's cul-
6 tural organizations.

7 (3) No later than August 1 of each year, under the direction of the Trust for Cultural
8 Development Board, the Arts Program shall disburse the investment earnings, interest and
9 other income deposited in the Trust for Cultural Impact Account during the previous fiscal
10 year, to counties and federally recognized Indian tribes in a manner that takes into account
11 population, and the number and size of the cultural organizations that serve the residents
12 and visitors to the counties or members of the tribes.

13 (4)(a) The Trust for Cultural Development Board shall convene a rules advisory commit-
14 tee. The rules advisory committee shall consist of representatives of a variety of cultural
15 organizations, counties, tribes and cultural advocacy organizations.

16 (b) The board, after consultation with the rules advisory committee convened under
17 paragraph (a) of this subsection, shall develop rules to implement this section, including the
18 process, standards and criteria for awarding grants under this section.

19 (5) Before awarding grants under this section, counties and tribes shall review and up-
20 date their local cultural plans, in accordance with the process described in ORS 359.436.

21 (6) The Administrator of the Arts Program may also use moneys in the Trust for Cul-
22 tural Impact Account to provide technical assistance to counties and federally recognized
23 Indian tribes carrying out their duties to award Cultural Impact Program grants.

24 **SECTION 4.** (1) The Trust for Cultural Impact Account is established in the State
25 Treasury, separate and distinct from the General Fund. Investment earnings, interest and
26 other income earned by the Trust for Cultural Impact Account shall be credited to the ac-
27 count.

28 (2) The State Treasurer may discretely invest, as described in ORS 293.723, moneys in the
29 Trust for Cultural Impact Account as provided in ORS 293.701 to 293.857.

30 (3) All investment earnings, interest and other income earned by the account are con-
31 tinuously appropriated to the Oregon Business Development Department for the Arts Pro-
32 gram to carry out the provisions of section 3 of this 2023 Act.

33 **SECTION 5.** ORS 359.416 is amended to read:

34 359.416. (1) The Trust for Cultural Development Board shall oversee management of the Trust
35 for Cultural Development Account **and the Trust for Cultural Impact Account** and shall provide
36 direction to the Administrator of the Arts Program for the coordination, administration and evalu-
37 ation of the Cultural Development Grant Program, the Community Cultural Participation Grant
38 Program, **the Cultural Impact Program** and the use of funds received by core partner agencies
39 under ORS 359.441.

40 (2) In accordance with applicable provisions of ORS chapter 183, the board may adopt rules
41 necessary for the administration of ORS 359.400 to 359.444.

42 **SECTION 6.** ORS 359.421 is amended to read:

43 359.421. The Administrator of the Arts Program shall provide staff support to the Trust for
44 Cultural Development Board. Under the direction of the board, the administrator shall:

45 (1) Coordinate grant management;

1 (2) Provide Trust for Cultural Development Account **and Trust for Cultural Impact Account**
2 management and accounting;

3 (3) Work with cultural agencies and their constituents to communicate with and educate the
4 public on the role culture plays in the lives of citizens and communities; and

5 (4) Evaluate the Cultural Development Grant Program, the Community Cultural Participation
6 Grant Program, **the Cultural Impact Program** and the use of funds received under [*section 13,*
7 *chapter 954, Oregon Laws 2001,*] **ORS 359.441** by core partner agencies.

8 **SECTION 7. (1) For the biennium beginning July 1, 2023, at the request of the Oregon**
9 **Department of Administrative Services, after the department consults with the Oregon**
10 **Business Development Department, the State Treasurer is authorized to issue lottery bonds**
11 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$200 million in net pro-**
12 **ceeds for the purposes described in section 3 of this 2023 Act, plus an additional amount es-**
13 **timated by the State Treasurer to be necessary to pay bond-related costs.**

14 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
15 Oregon Business Development Department for deposit in the Trust for Cultural Impact Ac-
16 count established in section 4 of this 2023 Act, to provide moneys to counties and federally
17 recognized Indian tribes for disbursement to cultural organizations that serve the residents
18 of and visitors to their county or members of their tribe in order to advance, preserve or
19 stabilize those organizations.

20 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
21 further economic development, finance public education or restore and protect parks,
22 beaches, watersheds and native fish and wildlife, and is authorized based on the following
23 findings:

24 (a) The grants described in this section will leverage art and cultural resources to create
25 vibrant public spaces that integrate art and cultural and natural amenities, sustain Oregon's
26 rich arts and cultural experiences and enhance a strong sense of place and community
27 identity.

28 (b) The factors described in paragraph (a) of this subsection have the effect of creating
29 jobs, expanding business and tax revenues and enhancing the economic vitality of Oregon
30 communities.

31 **SECTION 8. This 2023 Act being necessary for the immediate preservation of the public**
32 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
33 **July 1, 2023.**

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